



STATE OF WASHINGTON
HIGHER EDUCATION COORDINATING BOARD

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PRELIMINARY BOARD MEETING AGENDA
John A. Cherberg (JAC) Building, Senate Hearing Room 4
Capitol Campus, Olympia
October 26, 2000

Approximate Times

Tab

8:00 a.m. Board Breakfast and Meeting Overview (JAC, Conference Room A)
No official business will be conducted at this time.

8:45 a.m. Welcome and Introductions

- Bob Craves, HECB Chair

CONSENT AGENDA ITEMS

Adoption of September 2000 HECB Meeting Minutes **1**

New Degree Programs for Approval

- **BA in Hotel and Restaurant Administration, WSU Vancouver** **2**
(Resolution 00-47)
- **BA in Hotel and Restaurant Administration Joint Degree** **3**
Program, WSU and Montana State University
(Resolution 00-48)
- **MS in Psychology: School Counseling and Mental Health** **4**
Counseling, EWU in Spokane
(Resolutions 00-49)

9:00 a.m. FISCAL COMMITTEE REPORT

WORK SESSION: 2001-03 Operating & Capital Budget **5**
Recommendations

Proposed Capital Budget Recommendations

- Committee/staff briefing and board discussion

Proposed Operating Budget Recommendations

- Committee/staff briefing and board discussion

Public Comment

11:15 a.m. PLANNING & POLICY COMMITTEE REPORT

6

- 7

- (Resolution 00-50)

- Panel of Representatives from the Council of Presidents, Baccalaureate Institutions, Community and Technical Colleges, and the Office of the Superintendent of Public Instruction

8

- 9

- ## ACTION ITEMS

10

- (Resolution 00-52)

5

(Resolution 00-51)

DIRECTOR'S REPORT

PUBLIC COMMENT

3:00 p.m. ADJOURNMENT

- *Times reflected and the order of agenda items are subject to change.*
- *If you are a person with disability and require an accommodation for attendance, or need this agenda in an alternative format, please call the HECB at (360) 753-7800 as soon as possible to allow sufficient time to make arrangements. We also can be reached through our Telecommunication Device for the Deaf at (360) 753-7809.*

Next HECB Meeting

Date	Tentative Location
December 6, Wednesday	Murray Board Room, University of Puget Sound Tacoma

MINUTES OF MEETING September 19, 2000

October 2000

HECB Members Present

Mr. Bob Craves, Chair
Dr. Gay Selby, Vice Chair
Ms. Kristi Blake, Secretary
Mr. James Faulstich
Mr. Larry Hanson
Ms. Ann Ramsay-Jenkins
Mr. Herb Simon
Dr. Chang Mook Sohn
Ms. Pat Stanford

HECB Staff

Mr. Marc Gaspard, Executive Director
Ms. Ruta Fanning, Deputy Director
Ms. Becki Collins, Dir, Education Services
Mr. Bruce Botka, Dir, Governmental Relations
Mr. John Fricke, Associate Director
Mr. Jim Reed, Associate Director

Welcome and Introductions

HECB chairman Bob Craves opened the meeting at 8:20 a.m. and acknowledged the presence of the six public baccalaureates presidents, the executive director for The State Board for Community and Technical Colleges, and the director of the Office of Financial Management.

HECB Committees

To accommodate new members and the Board's changing needs, the HECB has modified its committee structure. Mr. Craves announced the membership of each committee.

Board Operations Committee

Bob Craves (Chair)
Kristi Blake
Jim Faulstich
Herb Simon
Ann Ramsay-Jenkins (alternate)

Fiscal Committee

Larry Hanson (Chair)
Bob Craves
Chang Mook Sohn
Gay Selby
Kristi Blake (alternate)

Planning and Policy Development Committee

Gay Selby (Chair)
Jim Faulstich
Ann Ramsay-Jenkins
Pat Stanford
Herb Simon (alternate)

Mr. Craves discussed the newly opened UW Bothell and Cascadia College campus, linking this project to the Board's goal of expanding access for students. In this connection, he introduced the idea of putting together a meeting of higher education stakeholders, including legislators, institutional presidents, business and labor representatives, and the Governor's office, to discuss and strategize higher education access and quality issues.

Consent Agenda Items Approved

HECB executive director Marc Gaspard reminded the Board that it had the option to consider and approve with one motion all the items under the consent agenda.

ACTION: **Larry Hanson** moved for the consideration of all consent agenda items. **Kristi Blake** seconded the motion. The **July minutes and Resolutions 00-35 to 00-44** for 10 new degree programs were unanimously approved.

2001-03 Budget and Revenue Projections

Marty Brown, director for the Office of Financial Management, described the revenue outlook for the 2001-03 biennium. Mr. Brown reported that the economy continues to be robust, with nine consecutive years of economic growth. The Revenue and Forecast Council, of which Dr. Chang Mook Sohn is director, forecast an increase in revenues for the remaining months of the 1999-01 biennium and the 2001-03 biennium. However, because of the I-601 spending limit, virtually all of the increase in revenues will go to the Education Construction Fund.

Mr. Brown discussed the changes to I-601 adopted by the 2000 Legislature. These changes include:

- lowering the threshold of the Emergency Reserve Fund so more excess will spill over into the Education Construction Fund;
- establishing a state expenditure limit committee for the purpose of calculating and adjusting the state expenditure limit;
- clarifying the meaning of “money transfer” under I-601; and,
- allowing for adjustments when revenues are shifted between the General Fund and other state accounts.

He concluded with a brief discussion of the impact on state spending of the passage of several initiatives, which would further constrict already limited resources.

Larry Hanson, chair of the HECB Fiscal Committee, described the budget review process being undertaken by his committee, and the progress of the prioritized ranking method that will be used for capital budget considerations. HECB deputy director Ruta Fanning gave an overview of the budget review process. John Fricke and Jim Reed, HECB associate directors, summarized institutional operating and capital budget requests.

Institutional Budget Requests

The six public baccalaureate presidents and their staffs, the executive director of the State Board for Community and Technical Colleges, and the director for the North Snohomish Island Skagit counties consortium presented their budget requests.

The presentations were preceded by the coordinated legislative request for the 2001-03 biennium from the Council of Presidents (COP), presented by COP Chair Dr. Karen Morse. The four major components of this request include:

1. resisting cuts to current level budgets;
2. investing in faculty and staff to ensure quality education;

3. providing access and outreach; and,
4. investing in instructional quality.

Increasing faculty salaries was high on all institutions' list of priorities. UW provost Lee Huntsman expressed appreciation for the collaborative method the HECB has adopted in identifying and prioritizing facility needs. Bob Craves and Jim Faulstich expressed interest in improving the state's upper division participation rate, in which Washington State ranks 46th nationally. Gay Selby suggested that the Planning and Policy Committee consider this issue for discussion at one of its meetings.

The HECB will take action on institutional budget requests at its October meeting.

Sen. Jeanne Kohl-Welles

Mr. Craves acknowledged the presence in the audience of Sen. Jeanne Kohl-Welles, chair of the Senate Higher Education Committee, and invited her to say a few words. Sen. Kohl-Welles echoed the message delivered by Marty Brown, commenting that many ordinary citizens don't understand how there could be spending restrictions in the midst of a soaring economy and increased revenues.

UW president Dick McCormick suggested that the HECB could play a leadership role in convening a statewide group to discuss and strategize on how to get bigger support for higher education.

Roundtable Discussion on Participation of People of Color in Higher Education

The six university presidents and the director for the State Board for Community and Technical Colleges gave overviews of their efforts to promote diversity on their campuses.

Dr. Richard McCormick suggested that the HECB study the relevance of requiring SATs for admission to college. Dr. Selby suggested inviting representatives from the K-12 system, such as superintendents and school counselors, to share their insights on this issue.

Rep. Phyllis Kenney

Rep. Phyllis Kenney, House Higher Education Co-chair, applauded the HECB and the institutions for coming together to talk about the critical issue of minority participation in higher education. She encouraged the institutions to continue exploring innovative outreach methods to increase diversity on their campuses.

Future Teachers Project

Becki Collins, HECB director of education services, gave an overview of the emergency rules for the Future Teachers Conditional Scholarship.

ACTION: **Gay Selby** moved for approval of **Resolution 00-45**, approving emergency rules for the Future Teachers Conditional Scholarship. **Larry Hanson** seconded the motion, which was carried unanimously.

Master Plan Enrollment Initiatives

Bruce Botka, HECB director of governmental relations, reported that upon approval of the 2000 Master Plan, the Legislature directed the HECB to re-examine its enrollment and capital assumptions, to contemplate various growth scenarios, and to examine alternatives to address the identified budget needs. The Legislature also asked the HECB to further examine the role of the community and technical colleges in meeting the state's long-term needs.

John Fricke, HECB associate director, presented the following key findings from the re-examination of long-term higher education enrollments:

- OFM's recalculation of the current participation rate shows a decline of about three percent, which is due to a decrease in the estimated population growth.
- Factors that could drive enrollments up include those related to the state's economy, growth and demographic characteristics of the population, and targeted policies pursued by the Legislature and Governor.
- Renewed scrutiny of the community and technical colleges show there is still room for enrollment growth.
- Two factors that could drive the enrollments down are available job opportunities in a "hot" economy and more students enrolled in non-traditional programs, such as distance education and non-public providers.
- Enrollment is growing at different rates at the four-year institutions and the community and technical colleges so the increase by 2010 will not result in a "straight-line" progression.

Director's Report

- Marc Gaspard asked the Board to consider the adoption of a resolution to extend the reporting date of the next HECB diversity report. Staff and their workgroups are still collecting information and conducting further research.

ACTION: **Larry Hanson** moved for consideration of **Resolution No. 00-46**, extending the reporting date of the HECB Diversity Report to March 2001.

Ann Ramsay-Jenkins seconded the motion, which passed unanimously.

- Mr. Gaspard gave an update on the Guaranteed Education Tuition Program. Beginning October 2000, Costco will be the first major corporation to offer payroll deduction to its employees for the purchase of GET units.

- The Washington Promise Scholarship is in its second year of operation. To be eligible, students must rank in the top 15 percent of their senior class or score 1200 or better on the Scholastic Aptitude Test on their first attempt.
- The December HECB meeting at the University of Puget Sound has been changed to December 6. The October 26 HECB meeting will be held in the John A. Cherberg Building in Olympia.

There were no public comments. The Board adjourned the meeting at 6:45 p.m.

BACHELOR OF ARTS IN HOTEL AND RESTAURANT ADMINISTRATION
Washington State University Vancouver

October 2000

EXECUTIVE SUMMARY

INTRODUCTION

Washington State University Vancouver proposes to offer a Bachelor of Arts in Hotel and Restaurant Administration (HRA) at its branch campus. WSU offers the only four-year hotel and restaurant administration program in the Northwest, and it is nationally-renowned.

PROGRAM NEED

The Higher Education Coordinating Board granted “pre-approval” status to the BA in Hotel and Restaurant Administration in March 2000. The program would complement the WSU Vancouver branch campus mission by providing expanded access to a bachelor’s program that prepares students for a professional career. It is anticipated that potential students would be drawn from local community colleges and employees in the hospitality industry who desire to complete their higher education studies.

The projected employment growth and the number of eating, drinking, and lodging establishments in the Clark County and Portland Metropolitan Area provide substantial demand for graduates in the hospitality field. According to the *Regional Workforce Alliance Final Report*, occupational demand will increase by 52,696 (45%) through 2008 in the Southwest Washington Region. The Washington Department of Revenue, the Oregon Restaurant Association, and the Oregon Lodging Association report that the hospitality industry continues to need qualified employees for managerial and administrative positions. The demand for university-trained hospitality employees is reflected in WSU’s Pullman program placement rate, which exceeds 90 percent annually.

PROGRAM DESCRIPTION

The BA in Hotel and Restaurant Administration requires completion of 120 semester credits, including 15 upper-division core courses (43 semester credits). Courses will be taught on-site and possibly via the Washington Higher Education Telecommunications System (WHETS). Adding this program on the WSU Vancouver branch campus will require the addition of two HRA faculty and a library allocation. Other program support would be handled through existing resources.

The program is expected to serve 12 FTE (20 headcount) students during its first year and grow to serve 36 FTE (55 headcount) students in five years. It is anticipated that the majority of students will be working. Therefore, it will take these students about three years to earn the baccalaureate degree.

ASSESSMENT AND DIVERSITY

The proposal presents exemplary program objectives, student learning outcomes, and related evaluation methodologies. For example, the program will enhance the professionalism and education of individuals working in the Washington and Oregon hospitality and tourism industry. Each HRA course will provide students with knowledge and understanding of important content in the operation and management of hotel and restaurant operations. The International Association for Management Education accrediting association will conduct external review of the program.

Given its close proximity to the metropolitan Portland area, the program has the potential to attract students from diverse backgrounds. Like other WSU branch campus students, typical HRA students are expected to be older with work and family obligations.

REVIEW PARTICIPANTS

The proposal was shared with the other public baccalaureate institutions for their review and comment. Eastern Washington University commented that the program should have solid student demand and is relevant to the region.

PROGRAM COSTS

The BA in Hotel and Restaurant Administration would be supported through a combination of internal reallocation and new state funds. Program costs at full enrollment would be about \$285,000 per year, or \$7,900 per FTE student.

STAFF ANALYSIS

Students and employers should find WSU Vancouver's proposed Bachelor of Arts in Hotel and Restaurant Administration highly appealing. The program would respond to the continuing need for university-trained employees in the hospitality and tourism industry and would add new resources to support a high quality program. In addition, the program's assessment and diversity plans should promote continuing program improvement and participation of a diverse student population.

RECOMMENDATION

The Washington State University Vancouver proposal to establish a Bachelor of Arts in Hotel and Restaurant Administration is recommended for approval, effective October 26, 2000.

RESOLUTION NO. 00-47

WHEREAS, Washington State University Vancouver has requested approval to establish a Bachelor of Arts in Hotel and Restaurant Administration; and

WHEREAS, The program is highly appealing among students and employers; and

WHEREAS, The program of study and resources are sufficient to support a quality program; and

WHEREAS, The assessment and diversity plans are suitable for a program of this nature; and

WHEREAS, The costs are reasonable for offering the program;

THEREFORE, BE IT RESOLVED, That the Higher Education Coordinating Board approves the Washington State University Vancouver proposal to establish a Bachelor of Arts in Hotel and Restaurant Administration, effective October 26, 2000.

Adopted:

October 26, 2000

Attest:

Bob Craves, Chair

Kristi Blake, Secretary

**BACHELOR OF ARTS IN HOTEL AND RESTAURANT ADMINISTRATION
JOINT DEGREE PROGRAM
Washington State University and Montana State University**

October 2000

EXECUTIVE SUMMARY

BACKGROUND

Washington State University (WSU) is proposing to establish a Bachelor of Arts in Hotel and Restaurant Administration (HRA) joint degree program with Montana State University (MSU). Courses will be delivered to Montana students through on-site instruction and various distance learning technologies. WSU will deliver the coursework in hotel and restaurant administration and MSU will deliver the coursework in general education and business. The proposed program would help WSU achieve economies of scale by using existing facilities and faculty to develop distance learning courses that can be utilized in other locations in Washington State.

PROGRAM NEED

In March 2000, the joint program was granted “pre-approval” status by the Higher Education Coordinating Board. It supports goals to expand access to quality programs throughout the Northwest through modern telecommunications.

The joint program would benefit the HRA program in several ways. First, it would expand work experience and internship opportunities for students enrolled in the program. Second, it would bring more companies to campus to interview graduating seniors. Finally, it would provide faculty with access to a greater number of firms interested in research, executive education, and collaborative service activities.

The joint program would also benefit the hospitality and tourism industry in the Northwest. According to the Department of Commerce Census Data, an estimated 32,000 employees work in about 2,800 lodging and restaurant establishments in Montana. Montana possesses a substantial tourism infrastructure, the need for university-level training in hospitality management is strong, and the future growth potential is high. For example, in 1996, domestic and international travel totaled more than \$1.7 billion, and travel expenditures generated 26,400 jobs.

It is anticipated that students for the joint program will be drawn from two major sectors: 1) students attending two-and-four-year institutions in the MSU system; and 2) employees working in the hospitality and tourism industry.

PROGRAM DESCRIPTION

To earn the BA in Hotel and Restaurant Administration, students will be required to complete 120 semester credits. Approximately 70 percent of the courses will be offered via distance learning technologies.

Supported essentially with existing resources, the joint program will serve 27 FTE students initially and reach 124 FTE students at full enrollment. It is estimated that many students will be full-time and should complete the joint program within four years.

ASSESSMENT AND DIVERSITY

The proposal outlines the expected student learning outcomes and program goals, and the numerous methodologies that would be employed to evaluate student learning, program effectiveness, and faculty teaching. More specifically, graduates of the joint program should:

- Possess knowledge and skills that prepare them for hospitality careers;
- Gain extensive work experience prior to completing the program;
- Possess competencies in business core knowledge; and
- Possess computer skills and knowledge of software packages sufficient to solve problems and process information required by hospitality and tourism organizations.

The proposed joint degree has the potential to attract a diverse group of students because of its geographical draw from a wide area of Montana. And, like other WSU distance learning programs, this joint program will likely serve a substantial number of older placebound adults with family and work responsibilities.

REVIEW PARTICIPANTS

The proposal was shared with the other public baccalaureate institutions for their review and comment. To date, no comments have been received from any of these institutions.

PROGRAM COSTS

The BA in Hotel and Restaurant Administration joint degree program would be supported on a self-sustaining basis. Enrollment fees will pay for instructional and other costs. The cost of the proposed joint program ranges from a high of \$5,661 per FTE student the first year to \$3,923 in the fifth year.

STAFF ANALYSIS

The joint program will serve the needs of the hospitality and tourism industry. The collaborative nature of the program will provide students and faculty with high quality learning and teaching opportunities. The proposed program reflects the wise allocation of resources and utilization of distance learning technologies and will be the only one of its kind in the Northwest region.

RECOMMENDATION

The Washington State University proposal to establish a Bachelor of Arts in Hotel and Restaurant Administration joint degree program with Montana State University is recommended for approval, effective October 26, 2000.

RESOLUTION NO. 00-48

WHEREAS, Washington State University proposes to establish a Bachelor of Arts in Hotel and Restaurant Administration joint degree program with Montana State University; and

WHEREAS, The program will contribute to the hospitality and tourism industry in the Northwest region; and

WHEREAS, The program reflects institutional collaboration and the wise use of resources; and

WHEREAS, The program will be offered on a self-sustaining basis; and

WHEREAS, The program will make exemplary use of distance learning technologies to serve widely dispersed populations;

THEREFORE, BE IT RESOLVED, That the Higher Education Coordinating Board approves the Washington State University proposal to establish a Bachelor of Arts in Hotel and Restaurant Administration joint degree program with Montana State University, effective October 26, 2000.

Adopted:

October 26, 2000

Attest:

Bob Craves, Chair

Kristi Blake, Secretary

**MASTER OF SCIENCE IN PSYCHOLOGY:
SCHOOL COUNSELING AND MENTAL HEALTH COUNSELING
Eastern Washington University in Spokane**

October 2000

EXECUTIVE SUMMARY

INTRODUCTION

Eastern Washington University is seeking Higher Education Coordinating Board (HECB) approval to offer a Master of Science in Psychology: School Counseling and Mental Health Counseling in Spokane. The Department of Applied Psychology at EWU has a history of offering this counselor education program on its main campus in Cheney.

PROGRAM NEED

The program was granted “pre-approval” status by the HECB in March 2000. Its mission “...*is to produce and support high quality professionals who serve disenfranchised, at-risk, and mentally ill populations.*” Counselors will work with needy children and adults in schools, rehabilitation facilities, and community agencies.

Student interest in the proposed program is keen. The counselor education program on EWU’s main campus in Cheney draws 50 to 75 applicants per year. However, the program only admits a cohort of 10 students to the school counseling or mental health counseling track each year. In addition, other majors at EWU and professionals in the community take counselor education courses to fulfill elective course requirements or continuing education requirements.

Extensive assessments of the Cheney-based program were conducted in the late 1990s by the Council for Accreditation of Counselor Education and Related Programs (CACERP), the Professional Education Advisory Board, the Mental Health Advisory Board, and program participants. The assessments concluded that the program would be greatly enhanced if it were located in Spokane. Location of the program in Spokane is critical to building and maintaining field-based collaborations, community service, and research projects.

PROGRAM DESCRIPTION

The program of study reflects the eight core education and training areas identified in CACERP accreditation standards:

- | | |
|------------------------------------|------------------------------------|
| 1. Human Development and Learning | 5. Career Counseling |
| 2. Social and Cultural Foundations | 6. Appraisal |
| 3. Therapeutic Relationships | 7. Research and Program Evaluation |
| 4. Group Counseling | 8. Professional Orientation |

The school counseling track includes 92 quarter credits while the mental health counseling track includes 93 quarter credits.

About 40 FTE students will be admitted to the program each year and would be able to complete the program in two years of full-time study. The program would be supported essentially by existing resources.

ASSESSMENT AND DIVERSITY

The proposal outlines the expected student learning outcomes and related evaluation methodologies. The outcomes reflect those established by the accrediting association and state counselor certification regulations. Program evaluation is ongoing and completed by students, the advisory boards, and the accrediting association.

The proposal also outlines initiatives designed to recruit and retain individuals from diverse backgrounds in the program. The curriculum includes multicultural awareness and sensitivity components and diversity training. The program is intended to train counselors to work effectively with culturally diverse clients.

REVIEW PARTICIPANTS

In keeping with the *HECB Guidelines*, the proposal was shared with the other public baccalaureate institutions. Central Washington University and Washington State University both submitted positive comments.

PROGRAM COSTS

The MS in Psychology: School Counseling and Mental Health Counseling would be funded through internal reallocation. Program costs at full enrollment would be about \$249,000, or \$6,220 per FTE student.

STAFF ANALYSIS

EWU's graduates would bring competitive skills to the school counseling and mental health counseling needs of the Inland Northwest. Locating the program in Spokane should enhance practicum and internship opportunities, supervision of students in their field settings, field-based collaborations, community service, and research projects.

RECOMMENDATION

The Eastern Washington University proposal to offer a Master of Science in Psychology: School Counseling and Mental Health Counseling in Spokane is recommended for approval, effective October 26, 2000.

RESOLUTION NO. 00-49

WHEREAS, Eastern Washington University has requested approval to offer a Master of Science in Psychology: School Counseling and Mental Health Counseling in Spokane; and

WHEREAS, The program will prepare individuals with counseling knowledge and skills sought by schools, rehabilitation facilities, and community agencies; and

WHEREAS, The program of study is sound and reflects the standards for counselor education established by the Council for Accreditation of Counselor Education and Related Programs; and

WHEREAS, The assessment and diversity plans are appropriate for a program of this nature; and

WHEREAS, The program costs are reasonable;

THEREFORE, BE IT RESOLVED, That the Higher Education Coordinating Board approves the Eastern Washington University request to offer a Master of Science in Psychology: School Counseling and Mental Health Counseling in Spokane, effective October 26, 2000.

Adopted:

October 26, 2000

Attest:

Bob Craves, Chair

Kristi Blake, Secretary

PROPOSED HECB RECOMMENDATIONS 2001-2003 BIENNIUM OPERATING AND CAPITAL BUDGETS

October 2000

OVERVIEW

State statute (28B.80 RCW) directs the Higher Education Coordinating Board (HECB) to provide recommendations to the Governor and Legislature on the operating and capital budget requests of the higher education institutions. This responsibility is part of the Board's overall legislative directed mission to "represent the broad public interest above the interests of the individual colleges and universities" (28B.80.320 RCW). As provided in statute, the Board's budget recommendations are to reflect the following:

1. The role and mission statements of each of the four-year institutions and the community and technical colleges;
2. The goals, objectives, and priorities of the state's Comprehensive Master Plan for Higher Education; and
3. Guidelines that outline the Board's fiscal priorities.

The HECB's Fiscal Committee has reviewed and evaluated the operating and capital budget requests of the universities and colleges and makes recommendations to the full Board for consideration and action. The committee's recommendations for the 2001-2003 biennium are derived from the major initiatives and priorities outlined in the Board's 2000 Master Plan for Higher Education, which the Legislature adopted this year.

The Fiscal Committee developed its recommendations following the legislative directive to re-examine the enrollment forecasts and capital planning assumptions in the Master Plan. That re-examination, initiated in the spring and completed in late summer, involved extensive collaboration with the institutions, the Office of Financial Management, and legislative staff. The re-examination did not result in any recommendation to revise the Board's plan and concluded that the capital planning standards represented a reasonable method for projecting the long-term space needs of the universities and colleges.

In developing its proposed budget recommendations, the Fiscal Committee met numerous times to review the institutions' respective budget requests, listened to presentations from the institutions, and reviewed preliminary capital project rankings with institutional representatives.

This proposal reflects the Fiscal Committee's assessment of the capital and operating expenditure priorities for the 2001-2003 biennium. Resolution 00-51 is enclosed for the Board's consideration.

2001-2003 BIENNIUM CAPITAL BUDGET RECOMMENDATIONS

OVERVIEW

In April 2000, the Chair of the Senate Ways and Means Committee and Co-Chairs of the House Capital Budget Committee asked the HECB to take a new approach in developing its biennial capital budget recommendations. Specifically, they asked the Board to develop a methodology to prioritize and rank capital project requests both within and across the state's two and four-year public colleges and universities. This request is consistent with the Board's responsibility to provide the Legislature with a statewide perspective on higher education capital needs.

In developing its methodology, HECB staff met numerous times over the past spring and summer with representatives of the universities and colleges, the Office of Financial Management, and legislative staff. At these meetings, the work group reviewed and refined the new methodology. Throughout these discussions, it was emphasized that the HECB's perspective on capital needs, as expressed through the integrated statewide list, provides an **additional perspective** to assist the Legislature and Governor in capital funding decisions and is **not a substitute** or alternative to the institutions' own budget priorities.

The HECB staff and Fiscal Committee took the following steps in developing the integrated priority list:

- Step 1: Established project categories.
- Step 2: Assigned a numeric score/value to each category, reflecting the relative priority of the category as associated with Master Plan initiatives.
- Step 3: Assigned projects to the categories and ranked the projects by their respective numeric score. Projects with the same score/value are listed by institution in alphabetical order. If a college or university has more than one project with the same score, the projects are ranked by institutional priority.

Priority Categories (from highest to lowest priority)

- Categories 1-4: Protecting and preserving the physical and academic quality of the existing capital assets of the colleges and universities
- Category 5: Alleviating existing space shortages and adding capacity for future enrollment demand
- Category 6: Meeting capital needs for areas of high program demand

- Category 7: Supporting investments to promote institutional competitiveness
Category 8: Projects whose deferral for one biennium would not jeopardize safety or program quality (in the opinion of the Fiscal Committee)

Attachment A (HECB Capital Project Evaluation Model) lists the priorities and scores used to develop the integrated ranking, and shows the relationship of the scores and project types (categories) to the Master Plan 2000 initiatives.

Attachment B (Capital Project Rankings) provides the integrated prioritized list of the capital projects requested by state universities and colleges for the 2001-2003 biennium.

RECOMMENDATION

The Fiscal Committee believes that all of the 2001-2003 capital budget requests proposed by the universities and colleges (\$1.08 billion) reflect important facility needs. However, it recognizes that capital funding constraints and the needs of other sectors of state government limit the state's ability to address all of these needs in any one biennium. Consequently, the committee is proposing a *minimum funding recommendation* of \$933 million to fund all projects with scores of 84 or above (all projects within categories 1-5).

Funding this recommendation would require:

- ◆ **\$529 million in General Obligation Bonds**
- ◆ **\$174 million from the Education Construction Fund¹**
- ◆ **\$230 million from local funds**

This recommendation would represent about 53% of the total new bond authorization (\$1 billion) estimated for the 2001-2003 biennium and would finance **on a cash basis** through the Education Construction Fund most of the repair and improvement projects in categories 1 through 3. The committee believes that these projects, because of their nature and useful life, should be financed ideally on a cash basis rather than through 20-year debt. Using the Education Construction Fund also “frees up” additional debt capacity for other state capital priorities, including K-12 capital needs.

The Fiscal Committee believes that projects in categories 6 and 7 also warrant funding in the 2001-2003 biennium. However, if the Governor and Legislature are unable to consider appropriations beyond the *minimum funding recommendation*, the committee recommends that those projects in categories 6 and 7, which are financed through local funds, be included in the 2001-2003 capital budget.

Illustration C-1 on page 5 summarizes the proposed capital funding recommendation. As shown in the illustration, the proposed use of \$174 million from the Education

¹ Under current law, when the state's emergency reserve fund balance exceeds five percent of the annual general fund, the excess money flows into the state Education Construction Fund to be used solely for K-12 and higher education construction.

Construction Fund represents about 19% of the total recommended funding level (\$933 million). General Obligation Bonds constitute about 56% of the recommendation, with local funds supporting the remaining 25%. Illustration C-1 also shows the distribution by priority categories of the recommended funding level.

Table C-1 (page 6) summarizes the recommended funding level by project phase, sector and fund. Of the total \$933 million in recommended funding, about \$591 million (63%) is needed to finance projects authorized in prior biennia budgets, which are now at the design or construction phase. About 88% (\$518 million) of the amount proposed for these previous authorizations is for projects requested by the four-year institutions and 12% (\$72 million) is for projects requested by the community and technical colleges.

The recommended funding level proposes \$342 million in new project authorizations (37% of the total recommended funding level). Of this amount, 57% (\$195 million) is proposed for new projects at the four-year institutions and 43% (\$147 million) is recommended for the community and technical colleges.

Illustration C-2 (page 7) also displays the recommended funding level by project phase and sector.

ILLUSTRATION C-1

PROPOSED

2001-2003 HECB CAPITAL FUNDING RECOMMENDATION BY HECB PRIORITY CATEGORY AND FUND SOURCE

Priority Category	Ed. Construction Fund	General Obligation Bonds	Other Funds	Total
Unanticipated Repairs & Emergencies	\$21,719,873	\$31,160,000	\$560,000	\$53,439,873
Critical Repairs	\$89,912,837	\$39,900,000	\$20,025,000	\$149,837,837
Minor Improvements and Acquisitions	\$61,902,430	\$0	\$50,301,000	\$112,203,430
Major Critical Replacements and Renovations	\$0	\$132,832,011	\$23,097,819	\$155,929,830
Expanded Capacity Projects				
(A) Existing Space Shortages	\$0	\$172,574,210	\$0	\$172,574,210
(B) Near-Term Enrollment Growth	\$0	\$132,066,250	\$0	\$132,066,250
(C) Longer-Term Growth	\$0	\$20,547,000	\$136,125,000	\$156,672,000
Total	\$173,535,140	\$529,079,471	\$230,108,819	\$932,723,430

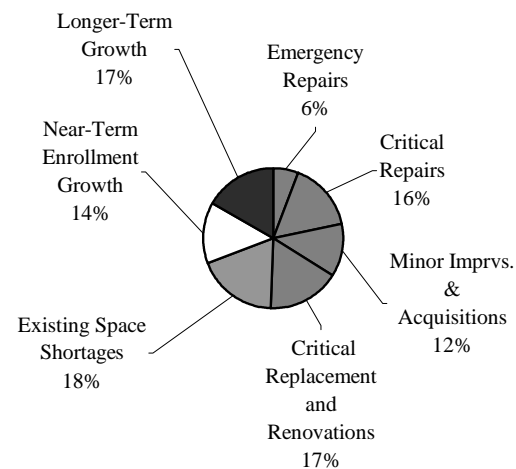
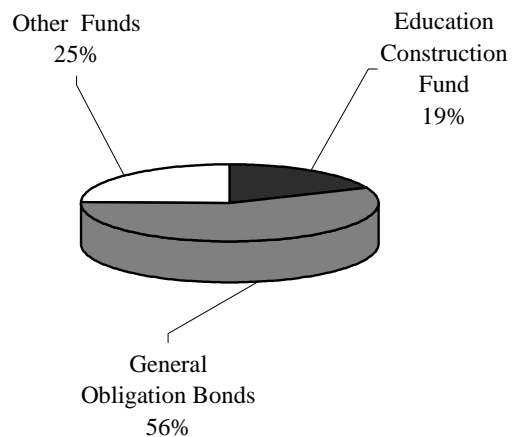
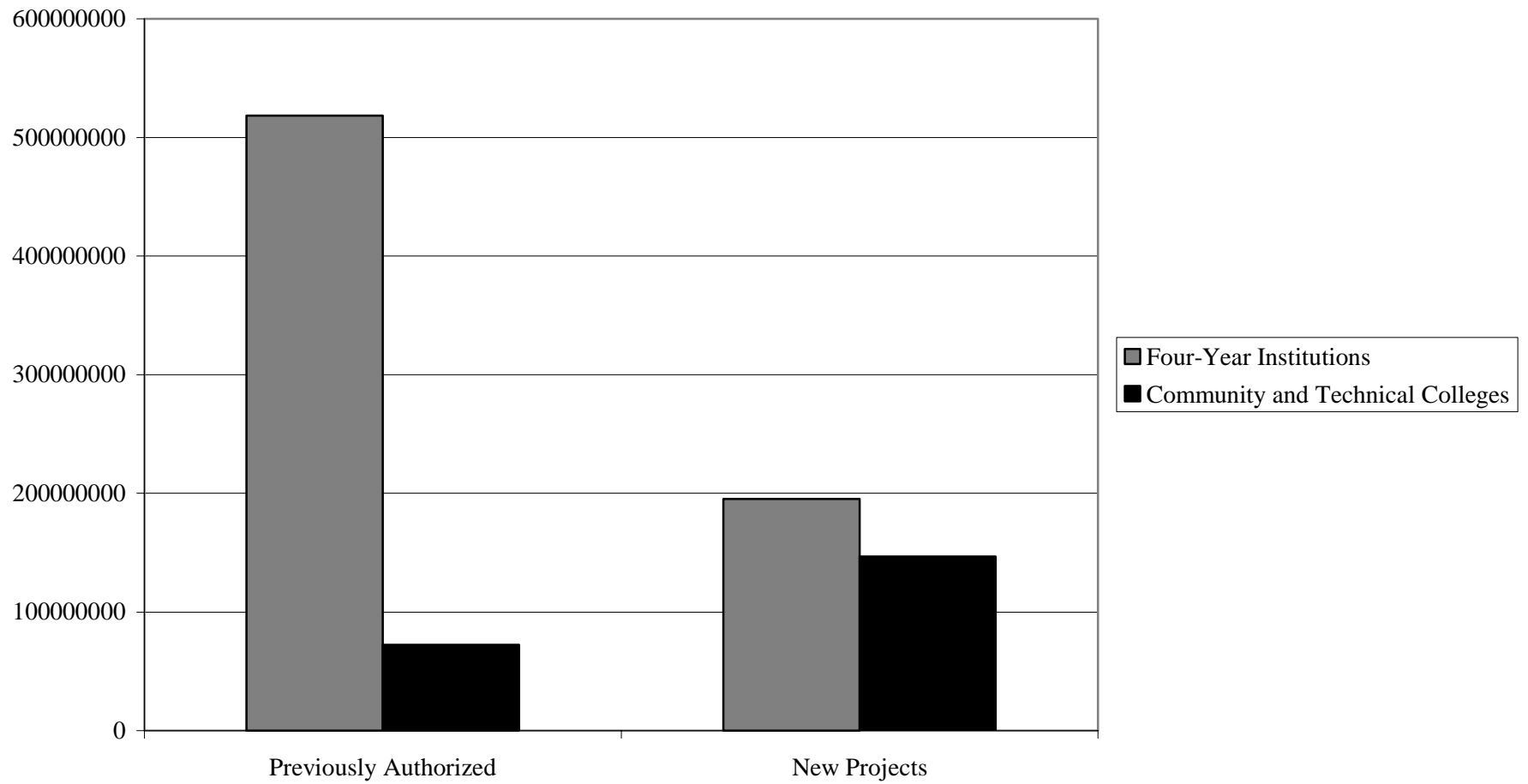


TABLE C-1
PROPOSED
HECB FUNDING RECOMMENDATION BY PROJECT PHASE, SECTOR AND FUND

	Education Construction Fund & General Obligation Bonds		All Other Funds		Total Recommendation	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
PREVIOUSLY AUTHORIZED PROJECTS						
Four Year Institutions	\$357,267,648	83%	\$161,125,000	100%	\$518,392,648	88%
Community and Technical Colleges	\$72,296,050	17%	\$0	0%	\$72,296,050	12%
Total	\$429,563,698	100%	\$161,125,000	100%	\$590,688,698	100%
NEW PROJECT AUTHORIZATIONS						
Four Year Institutions	\$144,147,200	53%	\$51,082,000	74%	\$195,229,200	57%
Community and Technical Colleges	\$128,903,713	47%	\$17,901,819	26%	\$146,805,532	43%
Total	\$273,050,913	100%	\$68,983,819	100%	\$342,034,732	100%
RECOMMENDATION THROUGH CATEGORY 5						
Four Year Institutions	\$501,414,848	71%	\$212,207,000	92%	\$713,621,848	77%
Community and Technical Colleges	\$201,199,763	29%	\$17,901,819	8%	\$219,101,582	23%
Total	\$702,614,611	100%	\$230,108,819	100%	\$932,723,430	100%
TOTAL REQUEST						
Four Year Institutions	\$585,300,848	69%	\$215,197,300	92%	\$800,498,148	74%
Community and Technical Colleges	\$264,877,226	31%	\$17,901,819	8%	\$282,779,045	26%
Total	\$850,178,074	100%	\$233,099,119	100%	\$1,083,277,193	100%

ILLUSTRATION C-2
PROPOSED
2001-2003 HECB CAPITAL FUNDING RECOMMENDATION BY SECTOR AND
PROJECT PHASE



ATTATCHMENT A

HECB CAPTIAL PROJECT EVALUATION MODEL

HECB CAPITAL PROJECT EVALUATION MODEL

MASTER PLAN INITIATIVE	PROJECT TYPE	SCORE
<i>Promote the Efficient and Effective Use of Public Resources in Providing a Quality Learning Environment</i>	1 Unanticipated Repairs and Non-Deferrable Regulatory Compliance A. Funding proposals within an omnibus appropriation request to respond to emergent repair and replacement needs potentially arising within the 2001-2003 biennium. B. Line-item project requests or projects within an omnibus appropriation request whose funding is proposed in response to emergency conditions and/or a law or code that <u>requires</u> compliance within the 2001-2003 biennium to avoid (a) the closure of facilities essential for the delivery of programs and operations, or (b) the assessment of fines or other punitive actions.	100
	2 Critical Repairs Omnibus appropriation requests whose deferral would jeopardize: <ol style="list-style-type: none"> 1. The ability to operate or occupy campus systems and space 2. Compliance with building occupancy codes 3. Program accreditation 	98
	3 Minor Improvements and Equipment Acquisitions Line-item projects less than \$7.5 million or those projects within an omnibus appropriation request which are needed to sustain an acceptable level of program quality or facility operations	96
	4 Major Replacements, Renovations, and Infrastructure Improvements Renovation, replacement or upgrade of existing space or infrastructure needed to sustain an acceptable level of program quality for current or projected enrollment	94
	5 Expanded Capacity Projects Projects which support the enrollment goals of the 2000 master plan by creating additional capacity at locations: <p>(A) Where existing enrollment is in excess of instructional space capacity</p> <div style="text-align: right;"> Construction Phase Projects 92 Design Phase Projects 91 Predesign Phase Projects 90 </div> <p>(B) Serving regions/programs of near-term projected enrollment demand in excess of existing capacity</p> <div style="text-align: right;"> Construction Phase Projects 89 Design Phase Projects 88 Predesign Phase Projects 87 </div> <p>(C) Where additional capacity will accommodate longer-term regional/program growth/demand needs</p> <div style="text-align: right;"> Construction Phase Projects 86 Design Phase Projects 85 Predesign Phase Projects 84 </div>	84 – 92
<i>Reaffirm the State's Commitment to Opportunity in Higher Education</i>		

HECB CAPITAL PROJECT EVALUATION MODEL

MASTER PLAN INITIATIVE	PROJECT TYPE	SCORE
<i>Support the Delivery of High Demand Programs</i>	6 Program Specific Improvements Improvements (renovation or new construction) needed to house high demand vocational/degree programs <div> Construction Phase Projects 82 Design Phase Projects 81 Predesign Phase Projects 80 </div>	80-82
<i>Support Institutional Competitiveness</i>	7 General Improvements Improvements (renovation or new construction) or acquisitions needed to support “mission critical” space and infrastructure needs <div> Construction Phase Projects 78 Design Phase Projects 77 Predesign Phase Projects 76 </div>	76-78
<i>Prioritize Expenditures Within Recognized Fiscal Constraints</i>	8 Other Improvements Line-item projects which could be deferred one biennium without jeopardizing: <ol style="list-style-type: none"> 1. The ability to operate or occupy campus systems and space 2. Compliance with building accessibility and occupancy codes 3. Program accreditation 4. An acceptable level of program quality or facility operations 5. Near or longer-term enrollment demand 	74

ATTATCHMENT B

CAPITAL PROJECT RANKINGS

PROPOSED
2001 - 2003 CAPITAL BUDGET RECOMMENDATIONS
PROJECT RANKINGS

INSTITUTION/PROJECT		HECB		PROJECT PHASE	2001-2003 BIENNIIUM			CUMULATIVE COSTS		
		CAT.	SCORE		ED. CONST.	G.O. BONDS	OTHER	ED. CONST.	G.O. BONDS	OTHER
CTC	Olympic Plant Operations Building	1	100	Design/Cnst.	\$5,086,600			\$5,086,600	\$0	\$0
CTC	Repairs and Minor Improvements	1	100	Design/Cnst.	\$12,000,000			\$17,086,600	\$0	\$0
TESC	Emergency Repairs	1	100	Design/Cnst.	\$0		\$560,000	\$17,086,600	\$0	\$560,000
UW	Nuclear Reactor Decommissioning	1	100	Construction	\$4,633,273			\$21,719,873	\$0	\$560,000
WSU	Power Plant Improvements	1	100	Design & Cnst	\$0	\$31,160,000		\$21,719,873	\$31,160,000	\$560,000
CTC	Repairs (A)	2	98	Design/Cnst.	\$37,476,637			\$59,196,510	\$31,160,000	\$560,000
CWU	Randall/Michaelson Repairs	2	98	Design/Cnst.		\$3,800,000		\$59,196,510	\$34,960,000	\$560,000
CWU	McConnel Stage and Classroom Remodel	2	98	Design/Cnst.		\$2,100,000		\$59,196,510	\$37,060,000	\$560,000
CWU	Omnibus: Preservation	2	98	Design/Cnst.	\$0		\$4,175,000	\$59,196,510	\$37,060,000	\$4,735,000
EWU	ADA Improvements	2	98	Design/Cnst.	\$0		\$350,000	\$59,196,510	\$37,060,000	\$5,085,000
EWU	Infrastructure Preservation	2	98	Design/Cnst.	\$6,700,000			\$65,896,510	\$37,060,000	\$5,085,000
EWU	Minor Works - Preservation	2	98	Design/Cnst.	\$3,945,000		\$4,000,000	\$69,841,510	\$37,060,000	\$9,085,000
EWU	Campus Roof Replacements	2	98	Design/Cnst.	\$2,619,000			\$72,460,510	\$37,060,000	\$9,085,000
TESC	Life Safety & Code Compliance	2	98	Design/Cnst.	\$0		\$2,500,000	\$72,460,510	\$37,060,000	\$11,585,000
TESC	Preservation	2	98	Design/Cnst.	\$3,940,000			\$76,400,510	\$37,060,000	\$11,585,000
UW	Emergency Power Expansion	2	98	Design/Cnst.	\$12,900,000			\$89,300,510	\$37,060,000	\$11,585,000
UW	Deferred Renewal/Modernization	2	98	Construction	\$0	\$34,000,000	\$6,000,000	\$89,300,510	\$71,060,000	\$17,585,000
UW	Special Projects - Code Requirements	2	98	Construction	\$3,500,000			\$92,800,510	\$71,060,000	\$17,585,000
WSU	Minor Capital Preservation	2	98	Design & Cnst	\$3,000,000		\$3,000,000	\$95,800,510	\$71,060,000	\$20,585,000
WSU	Minor Capital Safety/Environmental	2	98	Design & Cnst	\$3,000,000			\$98,800,510	\$71,060,000	\$20,585,000
WSU	Hazardous Waster Facilities - Statewide	2	98	Design & Cnst	\$3,000,000			\$101,800,510	\$71,060,000	\$20,585,000
WWU	Minor Works: Preservation	2	98	Design/Cnst.	\$9,832,200			\$111,632,710	\$71,060,000	\$20,585,000
CTC	Minor Improvements	3	96	Design/Cnst.	\$20,039,430			\$131,672,140	\$71,060,000	\$20,585,000
CWU	Omnibus: Program	3	96	Design/Cnst.	\$0		\$4,200,000	\$131,672,140	\$71,060,000	\$24,785,000
EWU	Classroom Renewal	3	96	Design/Cnst.	\$1,566,000		\$800,000	\$133,238,140	\$71,060,000	\$25,585,000
EWU	HVAC Systems Upgrades	3	96	Design/Cnst.	\$3,000,000			\$136,238,140	\$71,060,000	\$25,585,000
EWU	Minor Works - Program	3	96	Design/Cnst.	\$515,000		\$1,985,000	\$136,753,140	\$71,060,000	\$27,570,000
TESC	Minor Works - Program	3	96	Design/Cnst.	\$0		\$1,816,000	\$136,753,140	\$71,060,000	\$29,386,000
UW	Minor Repairs - Program	3	96	Construction	\$31,000,000		\$19,000,000	\$167,753,140	\$71,060,000	\$48,386,000
WSU	Minor Capital Improvements	3	96	Design & Cnst	\$0		\$6,000,000	\$167,753,140	\$71,060,000	\$54,386,000
WSU	Omnibus Equipment Appropriation	3	96	Acquisition	\$0		\$8,000,000	\$167,753,140	\$71,060,000	\$62,386,000
WSU	Animal Disease Biotech Equipment	3	96	Acquisition	\$3,200,000			\$170,953,140	\$71,060,000	\$62,386,000
WSU	Branch Campuses: Minor Capital Imp.	3	96	Design & Cnst	\$0		\$1,000,000	\$170,953,140	\$71,060,000	\$63,386,000
WWU	Minor Works: Program	3	96	Design/Cnst.	\$2,582,000		\$7,500,000	\$173,535,140	\$71,060,000	\$70,886,000

PROPOSED
2001 - 2003 CAPITAL BUDGET RECOMMENDATIONS
PROJECT RANKINGS

INSTITUTION/PROJECT		HECB		PROJECT PHASE	2001-2003 BIENNIUM			CUMULATIVE COSTS		
		CAT.	SCORE		ED. CONST.	G.O. BONDS	OTHER	ED. CONST.	G.O. BONDS	OTHER
CTC	Replacements (A)	4	94	Design/Cnst.		\$18,405,600	\$13,322,319	\$173,535,140	\$89,465,600	\$84,208,319
CTC	Renovations (A)	4	94	Design/Cnst.		\$35,026,036	\$4,579,500	\$173,535,140	\$124,491,636	\$88,787,819
CWU	Steam, Electrical, Water, & Fiber Optic Impv.	4	94	Design/Cnst.		\$9,000,000		\$173,535,140	\$133,491,636	\$88,787,819
EWU	Cheney Hall Renovation ¹	4	94	Design		\$1,819,000		\$173,535,140	\$135,310,636	\$88,787,819
EWU	Senior Hall Renovation	4	94	Design		\$1,212,000		\$173,535,140	\$136,522,636	\$88,787,819
EWU	Campus Network	4	94	Design/Cnst.		\$2,500,000		\$173,535,140	\$139,022,636	\$88,787,819
EWU	Tawanka Renovation	4	94	Design/Cnst.		\$2,486,000	\$1,196,000	\$173,535,140	\$141,508,636	\$89,983,819
TESC	Evans Bldg. - Technology & Modernization	4	94	Design		\$4,663,000		\$173,535,140	\$146,171,636	\$89,983,819
UW	Suzzallo Library Renovation	4	94	Construction		\$4,563,375		\$173,535,140	\$150,735,011	\$89,983,819
UW	Wire Plant Upgrade	4	94	Construction		\$20,000,000		\$173,535,140	\$170,735,011	\$89,983,819
UW	Condon Hall Renovation	4	94	Predesign		\$150,000		\$173,535,140	\$170,885,011	\$89,983,819
UW	Guggenheim Hall Renovation	4	94	Predesign		\$300,000		\$173,535,140	\$171,185,011	\$89,983,819
UW	Johnson Hall Renovation	4	94	Predesign		\$1,000,000		\$173,535,140	\$172,185,011	\$89,983,819
WSU	Johnson Hall Modernization	4	94	Design		\$3,500,000		\$173,535,140	\$175,685,011	\$89,983,819
WSU	Infrastructure and Road Improvements	4	94	Design & Cnst		\$15,338,000		\$173,535,140	\$191,023,011	\$89,983,819
WSU	WSUnet Infrastructure	4	94	Design & Cnst		\$0	\$4,000,000	\$173,535,140	\$191,023,011	\$93,983,819
WSU	Vancouver - Utilities and Infrastructure	4	94	Construction		\$1,200,000		\$173,535,140	\$192,223,011	\$93,983,819
WWU	Campus Infrastructure Development	4	94	Construction		\$11,669,000		\$173,535,140	\$203,892,011	\$93,983,819
CTC	Clover Park - Transportation Trades	5	92	Construction		\$16,784,000		\$173,535,140	\$220,676,011	\$93,983,819
CTC	Bellingham - Vocational Instruction	5	92	Construction		\$8,086,600		\$173,535,140	\$228,762,611	\$93,983,819
CTC	Lake Washington - Library/Vocational	5	92	Construction		\$15,840,000		\$173,535,140	\$244,602,611	\$93,983,819
CTC	Renton - Library/Computer Labs	5	92	Construction		\$10,591,000		\$173,535,140	\$255,193,611	\$93,983,819
CTC	Skagit Valley - Whidbey Classrooms	5	92	Construction		\$9,175,300		\$173,535,140	\$264,368,911	\$93,983,819
TESC	Seminar II Construction	5	92	Construction		\$45,539,000		\$173,535,140	\$309,907,911	\$93,983,819
WSU	Murrow Hall Addition & Renovation	5	92	Construction		\$10,910,000		\$173,535,140	\$320,817,911	\$93,983,819
WWU	Communications Facility	5	92	Construction		\$36,519,000		\$173,535,140	\$357,336,911	\$93,983,819
WWU	SPMC Undergraduate Center	5	92	Design/Cnst.		\$4,972,000		\$173,535,140	\$362,308,911	\$93,983,819
CTC	Pierce - Vocational Classrooms	5	91	Design		\$1,743,000		\$173,535,140	\$364,051,911	\$93,983,819
CTC	Whatcom - Classrooms/Labs	5	91	Design		\$891,900		\$173,535,140	\$364,943,811	\$93,983,819
CTC	Highline - Classrooms/Vocational	5	91	Design		\$2,228,000		\$173,535,140	\$367,171,811	\$93,983,819
CTC	South Puget Sound - Humanities Complex	5	91	Design		\$1,781,000		\$173,535,140	\$368,952,811	\$93,983,819
CTC	Clark - WSU Vancouver Classrooms/Labs	5	91	Design		\$1,644,000		\$173,535,140	\$370,596,811	\$93,983,819
UW	BioSciences Building	5	91	Design		\$5,000,000		\$173,535,140	\$375,596,811	\$93,983,819

PROPOSED
2001 - 2003 CAPITAL BUDGET RECOMMENDATIONS
PROJECT RANKINGS

INSTITUTION/PROJECT		HECB		PROJECT PHASE	2001-2003 BIENNIUM			CUMULATIVE COSTS		
		CAT.	SCORE		ED. CONST.	G.O. BONDS	OTHER	ED. CONST.	G.O. BONDS	OTHER
CTC	South Seattle - Instructional Technology	5	90	Predesign		\$200,330		\$173,535,140	\$375,797,141	\$93,983,819
CTC	Green River - Computer Labs	5	90	Predesign		\$113,324		\$173,535,140	\$375,910,465	\$93,983,819
CTC	Tacoma - Information Tech./Voc.	5	90	Predesign		\$156,728		\$173,535,140	\$376,067,193	\$93,983,819
CTC	Bates - Phased Improvements/Childcare	5	90	Predesign		\$188,692		\$173,535,140	\$376,255,885	\$93,983,819
CTC	Edmonds - Instructional Labs	5	90	Predesign		\$137,676		\$173,535,140	\$376,393,561	\$93,983,819
CTC	Walla Walla - Laboratory Addition	5	90	Predesign		\$72,660		\$173,535,140	\$376,466,221	\$93,983,819
CWU	Music Facility	5	89	Construction		\$25,000,000		\$173,535,140	\$401,466,221	\$93,983,819
CWU	Yakima Center	5	89	Construction		\$18,500,000		\$173,535,140	\$419,966,221	\$93,983,819
UW	Tacoma 2B and Land Acquisition	5	89	Construction		\$49,000,000		\$173,535,140	\$468,966,221	\$93,983,819
WSU	Vancouver - Media/Electronic Communications	5	89	Construction		\$15,900,000		\$173,535,140	\$484,866,221	\$93,983,819
WSU	Vancouver - Circulation and Parking	5	89	Construction		\$4,700,000		\$173,535,140	\$489,566,221	\$93,983,819
CTC	Cascadia	5	88	Design		\$3,531,250		\$173,535,140	\$493,097,471	\$93,983,819
CWU	Highline Center	5	88	Design		\$2,500,000		\$173,535,140	\$495,597,471	\$93,983,819
UW	Bothell 2B	5	88	Design		\$4,200,000		\$173,535,140	\$499,797,471	\$93,983,819
UW	Bothell - Offramp	5	88	Design		\$2,500,000		\$173,535,140	\$502,297,471	\$93,983,819
WSU	Vancouver - Business and Education Building	5	88	Design		\$3,000,000		\$173,535,140	\$505,297,471	\$93,983,819
WSU	Vancouver - Library 2nd Floor Conversion	5	88	Design & Cnst		\$3,000,000		\$173,535,140	\$508,297,471	\$93,983,819
WWU	Academic Instructional Center	5	87	Predesign		\$235,000		\$173,535,140	\$508,532,471	\$93,983,819
EWU	Water System Preservation	5	86	Design/Cnst.		\$2,236,000		\$173,535,140	\$510,768,471	\$93,983,819
UW	CSE/EE III	5	86	Construction		\$2,700,000	\$60,000,000	\$173,535,140	\$513,468,471	\$153,983,819
UW	Life Sciences II	5	86	Construction		\$0	\$69,025,000	\$173,535,140	\$513,468,471	\$223,008,819
WSU	Shock Physics Building	5	86	Construction		\$3,540,000	\$7,100,000	\$173,535,140	\$517,008,471	\$230,108,819
WSU	Vancouver - Student Services Center	5	85	Design		\$2,500,000		\$173,535,140	\$519,508,471	\$230,108,819
WSU	Spokane - Academic Center	5	85	Design		\$3,500,000		\$173,535,140	\$523,008,471	\$230,108,819
WSU	College of Nursing - Spokane Addition	5	84	Predesign		\$71,000		\$173,535,140	\$523,079,471	\$230,108,819
WSU	Spokane - Riverpoint Land Acquisition	5	84	Acquisition		\$5,000,000		\$173,535,140	\$528,079,471	\$230,108,819
WWU	Facility & Property Acquisition	5	84	Acquisition		\$1,000,000		\$173,535,140	\$529,079,471	\$230,108,819
CTC	Matching Funds	6	82	Design/Cnst.		\$5,267,500		\$173,535,140	\$534,346,971	\$230,108,819
WSU	Cleveland Hall Education Addition	6	82	Construction		\$10,210,000		\$173,535,140	\$544,556,971	\$230,108,819
WSU	AMID/Landscape Architecture Building	6	82	Construction		\$27,850,000		\$173,535,140	\$572,406,971	\$230,108,819

PROPOSED
2001 - 2003 CAPITAL BUDGET RECOMMENDATIONS
PROJECT RANKINGS

INSTITUTION/PROJECT		HECB		PROJECT PHASE	2001-2003 BIENNIUM			CUMULATIVE COSTS		
		CAT.	SCORE		ED. CONST.	G.O. BONDS	OTHER	ED. CONST.	G.O. BONDS	OTHER
UW	Architecture Hall	6	80	Predesign		\$300,000		\$173,535,140	\$572,706,971	\$230,108,819
WSU	BioMedical Sciences Facility	6	80	Predesign		\$0	\$350,000	\$173,535,140	\$572,706,971	\$230,458,819
TESC	Lab II 3rd Floor Lab Remodel	7	77	Design/Cnst.		\$3,190,000		\$173,535,140	\$575,896,971	\$230,458,819
WWU	Wilson Library Renovation	7	77	Design		\$3,409,000		\$173,535,140	\$579,305,971	\$230,458,819
UW	HSC J Wing	7	76	Predesign		\$300,000		\$173,535,140	\$579,605,971	\$230,458,819
UW	Gould Hall Addition	7	76	Predesign		\$300,000		\$173,535,140	\$579,905,971	\$230,458,819
WSU	Heald Hall - Life Sciences Phase 1	7	76	Predesign		\$0	\$475,000	\$173,535,140	\$579,905,971	\$230,933,819
WSU	Plant BioSciences Building	7	76	Predesign		\$0	\$300,000	\$173,535,140	\$579,905,971	\$231,233,819
WSU	Dana Hall Renovation	7	76	Predesign		\$0	\$319,300	\$173,535,140	\$579,905,971	\$231,553,119
WSU	Spokane - Science and Humanities Facility	7	76	Predesign		\$250,000		\$173,535,140	\$580,155,971	\$231,553,119
WWU	Carver Gymnasium Renovation	7	76	Predesign		\$230,000		\$173,535,140	\$580,385,971	\$231,553,119
CTC	Replacements (B)	8	74	Design/Cnst.		\$18,477,230		\$173,535,140	\$598,863,201	\$231,553,119
CTC	Renovations (B)	8	74	Design/Cnst.		\$5,566,100		\$173,535,140	\$604,429,301	\$231,553,119
CTC	Repairs (B)	8	74	Design/Cnst.	\$34,366,633	\$0		\$207,901,773	\$604,429,301	\$231,553,119
EWU	Cheney Hall Renovation	8	74	Construction		\$20,781,000		\$207,901,773	\$625,210,301	\$231,553,119
EWU	Property Acquisition	8	74	Acquisition		\$0	\$650,000	\$207,901,773	\$625,210,301	\$232,203,119
EWU	EMCS Upgrades	8	74	Design/Cnst.		\$4,138,000		\$207,901,773	\$629,348,301	\$232,203,119
EWU	Hargreaves Renovation	8	74	Predesign		\$150,000		\$207,901,773	\$629,498,301	\$232,203,119
EWU	Building Access System	8	74	Design/Cnst.		\$725,000		\$207,901,773	\$630,223,301	\$232,203,119
TESC	COM Building Expansion & Renovation	8	74	Predesign		\$0	\$200,000	\$207,901,773	\$630,223,301	\$232,403,119
WSU	Compton Union Building Renovation	8	74	Predesign		\$0	\$346,000	\$207,901,773	\$630,223,301	\$232,749,119
WSU	Holland Library Infrastructure Renovation	8	74	Design		\$0	\$350,000	\$207,901,773	\$630,223,301	\$233,099,119
WSU	Museum of Art Building	8	74	Design		\$1,400,000		\$207,901,773	\$631,623,301	\$233,099,119
WSU	Wastewater Effluent Treatment System	8	74	Design & Cnst		\$5,000,000		\$207,901,773	\$636,623,301	\$233,099,119
WSU	Johnson Tower Addition and Renovation	8	74	Predesign		\$150,000		\$207,901,773	\$636,773,301	\$233,099,119
WSU	TriCities - Facilities Services Building	8	74	Design		\$4,900,000		\$207,901,773	\$641,673,301	\$233,099,119
WSU	Vancouver - Academic Space E	8	74	Predesign		\$503,000		\$207,901,773	\$642,176,301	\$233,099,119
WSU	Vancouver - REU Lab & Office Relocation	8	74	Predesign		\$100,000		\$207,901,773	\$642,276,301	\$233,099,119

2001-2003 BIENNIUM OPERATING BUDGET RECOMMENDATIONS

OVERVIEW

The 2000 Master Plan calls on all those who will benefit from a strong higher education system to share the cost of these investments. Consistent with this emphasis on shared benefits/shared responsibility, the Fiscal Committee presents operating budget recommendations for the 2001-2003 biennium that call for the state to make strategic new investments, for students and families to pay their fair share of education costs, and for colleges and universities to prepare for the 21st century. These recommendations were developed consistent with the Board's responsibility to provide the Legislature with a statewide perspective on higher education needs.

The proposed higher education operating budget for the 2001-2003 biennium includes three separate, but inter-related components: 1). Strategic new state investments, 2). Proposed policy for tuition increases, and 3). Salary increases for higher education faculty and staff.

Strategic New Investments

Enhancing the quality of higher education will require the state to continue its commitment to opportunity by maintaining current programs and services and making strategic new investments. The Fiscal Committee recommends that the state make the following strategic investments framed in terms of the Master Plan goals:

Enrollments and Financial Aid

The Board's top priorities are increasing student enrollments by supporting institutions' requests for an additional 7,091 new FTE student and helping low- and middle-income students pay for college through an expansion of state financial aid. A \$53.8 million increase would allow the state to offer State Need Grants to 3,500 more low-income students and reduce by 50 percent the gap between grants and tuition and fees, help 2,000 more students earn money for school through State Work Study, and fully fund awards for all Washington Promise Scholarship recipients.

Outreach, Diversity and Assisting Students

Students make better choices when they receive the information and support so essential to success. The committee strongly endorses initiatives to reach out to potential students, including those from groups that are historically under-represented in higher education, in a variety of ways. Helping these students succeed in taking advantage of higher education opportunity is an important goal in the Master Plan.

Competency-Based Admissions Project

As the K-12 system adopts new ways to measure student learning, so too must the higher education system. This initiative will allow the Board to expand the competency-based admissions standards pilot project from four to 12 high schools and expand monitoring of student success.

Greater Use of E-Learning Technologies

E-learning technologies can bring to the classroom new opportunities for innovation and quality, while conserving space that will be needed as thousands of new learners seek a college

education. However, expanded adoption of e-learning requires a wide range of efforts to bring these new technologies to students, both inside and outside the classroom.

Developing Competency-based Degrees

Consistent with the 2000 Master Plan, this pilot project will establish and assess fundamental student learning outcomes in general education and three majors/degree programs that are competency-based.

Flexible Investments

To operate smarter, effectively meet student needs, and prepare for the 21st century, colleges and universities need to make investments in facilities, people, and programs. These investments will allow colleges and universities to offer the programs and services that students and the community will require.

Tuition Policy

The Fiscal Committee recommends implementing the concept of shared benefit/shared responsibility by linking tuition increases at public colleges and universities to the rate of change in state per capita personal income (PCPI), as outlined in the Board's 2000 Master Plan. Personal income is projected to increase at a rate faster than general inflation. Based on current estimates of PCPI, annual tuition would increase up to 4.7 percent in fiscal year 2002 and up to 3.8 percent in fiscal year 2003. These increases represent the maximum tuition. Colleges and universities would have the flexibility to set lower tuition in response to local conditions and needs. In addition, each college and university would have the flexibility to use tuition proceeds to address its unique needs and priorities.

Salary Increases

Recognizing that a strong faculty and staff are the backbone of a high-quality public educational system, the Fiscal Committee recommends a number of strategies and flexibility to provide institutions with the tools to deal with the salary challenge. These recommendations will allow colleges and universities to continue to close the salary gap between their faculty and those of peer institutions. Without this investment, the gap will continue or even widen and public colleges and universities will find it increasingly difficult to retain and attract top-notch faculty and staff.

**PROPOSED HECB 2001-2003 OPERATING BUDGET
RECOMMENDATIONS**
State General Fund

MASTER PLAN GOALS	BUDGET ITEM	\$ Millions
	FY 1999-2001 State General Fund Appropriation Level	2,549.9
	<u>New Investments</u>	
	1. Maintaining Current Programs and Services	131.6
<i>Renew Washington State's commitment to higher education opportunity</i>	2. Enrollment and Financial Aid	
	• State support for 7,091 new FTE student enrollments	58.4
	• Financial aid to enable students to attend college	53.8
	Subtotal	112.2
<i>Empower citizens to make the best use of the range of learning pathways available</i>	3. Outreach, Diversity and Assisting Students	43.5
<i>Link K-12 achievement to higher education opportunity</i>	4. Competency-based Admission Project	.5
<i>Employ e-learning technology to enhance higher education capacity and quality</i>	5. Promote the Expanded Adoption of E-learning Technologies in Instruction	22.9
<i>Make student learning the yardstick to measure effectiveness</i>	6. Develop Competency-based Associate and Baccalaureate Degrees	.2
<i>Help colleges and universities meet student needs and compete in an increasingly complex marketplace</i>	7. Flexible Investments in Equipment, Facilities, Infrastructure, Research, Community Service, Economic Development and Workforce Efforts, and Other Initiatives	71.3
Total of Prioritized New Investments		382.2

ELEMENTS OF HECB PRIORITIES FOR NEW INVESTMENTS IN HIGHER EDUCATION

Note: Budget items are \$ Thousands in priority order.

The amounts shown for each institution within an item are in alphabetical order and are not prioritized.

1. Maintaining Current Programs and Services

The first priority is to maintain current programs and services at the institutions.

2. Enrollment and Financial Aid

New Enrollments: The amount of \$58,419.8 is recommended as the state General Fund share of the cost of 7,091 new FTE enrollments. Tuition revenues that are raised from these additional enrollments are in addition to this amount.

HECB 2001-2003 HIGHER EDUCATION ENROLLMENT RECOMMENDATIONS

Full-Time Equivalent (FTE) Student Enrollment

	Current Budgeted Enrollment <u>FY2001</u>	Proposed Additional Enrollment <u>FY2002</u> <u>FY2003</u>		Total New for Biennium <u>Biennium</u>	Proposed Biennial Total
University of Washington	34,688	315	385	700	35,388
Washington State University	19,872	(277)	440	163	20,035
Eastern Washington University	7,864	100	100	200	8,064
Central Washington University	7,867	25	75	100	7,967
The Evergreen State College	3,713	60	128	188	3,901
Western Washington University	10,851	120	120	240	11,091
Subtotal - Four-year Institutions	84,855	343	1,248	1,591	86,446
Higher Education Coord. Board	-	-	500	500	500
State Board for Community and Technical Colleges	123,762	2,500	2,500	5,000	128,762
Total - All Higher Education	208,617	2,843	4,248	7,091	215,708

Note: Timber worker FTEs appropriated to HECB in FY 2001 are shown under WSU and WWU--25 each

COMPARISON OF TOTAL ENROLLMENT REQUESTS WITH HECB GOALS

Projected FY2003 enrollment to maintain current rate of enrollment for increased population:

Based on OFM projections.	Four-year institutions	87,469
	Two-year institutions	<u>128,768</u>
	Total	216,237
Difference between institutional proposals and current opportunity rate:		(529)
Comparison of institutional proposals and current opportunity rate:		99.8%

Financial Aid:

HECB	State Need Grant: increase in funds to close half the gap between current award levels and full tuition and fees for students whose family income is less than 75% of state median	33,200.0
	State Need Grant: for additional 7,091 requested FTEs	2,224.7
	State Work Study: increase number of students served from 9,500 to 11,500 and earnings limit from \$1,675 to \$1,825 per year	7,500.0
	Promise Scholarships: fully fund scholarships for all eligible students equal to community and technical college tuition and fees	9,991.0
	upgrade administrative data systems	<u>884.0</u>
Total: Financial aid		\$53,799.7

3. Outreach, Diversity and Assisting Students

	College Awareness project-includes Office of the Superintendent of Public Instruction, Community and Technical Colleges, and four-year institutions	15,227.2
CWU	expand teacher education at CWU centers	280.0
	expand outreach, diversity and retention efforts	2,650.0
EWU	centers of excellence (music, honors, creative writing)	3,269.0
HECB	improve student transfer/articulation	1,006.0
	learning opportunity project	1,279.0
	services to displaced homemakers	398.0
	teacher training grants	600.0
NSIS	student services/technology support	449.0
TESC	establish a campus math center	340.0
	expand student recruitment	470.0
	expand advising and freshmen retention	206.0
WSU	implement global competencies initiative	2,000.0
	establish urban 4-H school program	3,800.0
	expand technology instruction and high tech programs	6,400.0
WWU	improve student access, retention, degree completion	1,664.0
	increase access and support for core classes	2,756.0
	improve articulation strategies with community colleges	59.0
	implement additional public school teacher endorsements	286.0
	increase outreach and recruitment efforts	163.0
	assist students in acquiring financial aid	41.0
	continue Native American interdisciplinary program	<u>160.0</u>
Total: Outreach, diversity and assisting students		43,503.2

4. Competency-based Admissions Project

HECB	develop competency-based admissions standards for high school students entering baccalaureate institutions	461.0
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5. Promote the Expanded Adoption of E-learning Technology in Instruction

CWU	expand e-learning capabilities	2,186.0
EWU	upgrade instructional technology and support	3,597.0
HECB	IT grants to institutions	2,000.0
SBCTC	create online campus service center	6,500.0
TESC	expand e-learning capabilities	2,000.0
UW	upgrade classroom teaching technology	1,200.0
	cooperative library project--science/technology databases	3,000.0
WWU	use technology for curricular innovation	866.0
	upgrade computer science faculty/staff	673.0
	increase K-20 network use	98.0
	expand technological infrastructure and faculty training	<u>770.0</u>
Total: E-learning technology in instruction		22,890.0

6. Developing Competency-based Degrees

HECB	establish and measure learning outcomes associated with associate and baccalaureate degrees	200.0
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7. Flexible Investment in Equipment, Facilities, Infrastructure, Research, Community Service, Economic Development and Workforce Efforts, and Other Initiatives

Equipment/facilities and infrastructure investments:

CWU	update academic support systems	4,206.0
EWU	maintain and replace technology equipment	3,299.0
HECB	facility condition assessment	1,453.0
NSIS	lease costs	887.0
	general operations costs	100.0
TESC	improve physical plant operations/maintenance	360.0
	increase staff training and development	200.0
	improve management reporting and analysis	374.8
WSU	replace technology equipment	1,500.0
WWU	support for web-based information services	80.0
	replace research equipment	220.0
	replace technology equipment	2,420.0
	support university/public responsibility	1,969.0
	enhance library support	<u>660.0</u>
Total: Equipment, facilities and infrastructure		17,728.8

Community and technical college workforce initiatives:

SBCTC	increase average FTE funding level	9,900.0
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	hi-tech program startup grants	6,000.0
	increase job skills projects	<u>2,000.0</u>
Total:	Workforce initiatives	17,900.0

Research, Community Service and Economic Development:

TESC	establish Center for Community Partnerships	446.8
	complete WSIPP street youth study	40.0
UW	provide match for research opportunities	3,000.0
	implementation funds for advanced technology initiatives	1,500.0
WSU	expand biotechnology research	3,000.0
	implementation funds for advanced technology initiatives	3,000.0
WWU	equipment grants and TAs for research	<u>738.0</u>
Total:	Research, community service and economic development	11,688.8

Community College Responsiveness proposal:

The colleges are requesting funds for technology, student services, faculty mix, plant maintenance and operations and education initiatives to meet the specific needs and priorities for each college. As part of this request for state funds, the colleges will pledge \$12 million in tuition funds from SBCTC-proposed annual tuition increases in each year of the next biennium.

Total:	Community College Responsiveness Proposal	24,000.0
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Total:	Flexible investments	\$71,317.6
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2001-2003 BIENNIUM TUITION RECOMMENDATION

RECOMMENDATION

Consistent with the principle of shared benefits/shared responsibility as outlined in the HECB 2000 Master Plan, the Board recommends linking tuition increases at public colleges and universities for the 2001-2003 biennium to the rate of change in state per capita personal income (PCPI). The Board views PCPI as a measure of students' ability to pay an increased share of the cost of their education. It also recognizes the ongoing responsibility of the state to provide funding to ensure the availability and affordability of higher education for citizens of the state.

Institutional Flexibility

Consistent with directives in the current biennium, the Board recommends that tuition increases based on PCPI represent the maximum increase that students and families would be asked to pay. Colleges and universities would have the flexibility to set tuition lower than the maximum allowed tuition in response to local conditions and needs. In addition, each college and university would have the flexibility to use tuition proceeds to address its unique needs and priorities.

2001-2003 Biennium Tuition Amounts

The Fiscal Committee recommends using a three-year average of PCPI to calculate the percentage increase for each year of the next biennium. The table below displays the estimated average PCPI increases for the two years of the biennium, along with the resulting tuition levels **provided that the institutions increase tuition at the maximum percentage each year.** If institutions increase tuition at a lower percentage, the dollar amount in tuition charges to students would be reduced.

Student Charges: Resident Undergraduates Annual Tuition (Operating and Building) (Tuition Projections based on maximum PCPI percentage increases)

	Current year: Tuition	Projections:		Projections:	
		2001-02 Maximum % Increase	2001-02 Tuition	2002-03 Maximum % Increase	2002-03 Tuition
UW	\$ 3,368	4.7%	\$ 3,526	3.8%	\$ 3,660
WSU	\$ 3,351	4.7%	\$ 3,509	3.8%	\$ 3,642
CWU	\$ 2,487	4.7%	\$ 2,604	3.8%	\$ 2,703
EWU	\$ 2,451	4.7%	\$ 2,566	3.8%	\$ 2,664
TESC	\$ 2,490	4.7%	\$ 2,607	3.8%	\$ 2,706
WWU	\$ 2,490	4.7%	\$ 2,607	3.8%	\$ 2,706
CTC's	\$ 1,476	4.7%	\$ 1,545	3.8%	\$ 1,604

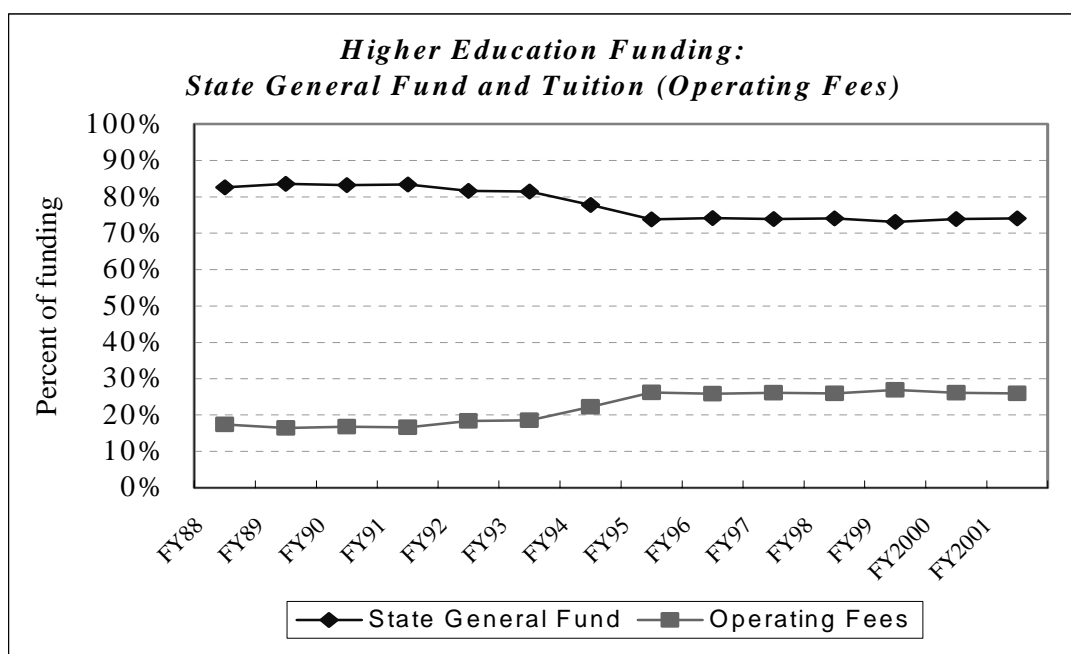
* Does not include "services and activities fees" or "technology fees."

The calculations above represent **tuition** only. Most of tuition is comprised of "operating fees" (used for instruction), with a small portion dedicated to "building fees" (used for bond retirement

and building projects). In addition, students are charged “services and activities fees,” as well as “technology fees” at some institutions.

Historical Review of Tuition in Washington

The chart below displays the funding history for public higher education as reflected in State General Fund appropriations and revenue provided through tuition. In the early 1990s, tuition as a portion of funding increased substantially as the State General Fund portion decreased. Recently, the relative share of each has stabilized. The Board’s recommendation to the state to link tuition increases to PCPI while continuing its commitment to higher education will maintain the current proportional share of funding.



Note: The above graph reflects total State General Fund appropriations and total revenue from operating fees.

2001-2003 BIENNIUM SALARY RECOMMENDATION

OVERVIEW

The Higher Education Coordinating Board is charged by law with reviewing and recommending salary levels for faculty and exempt employees of the state's public higher education institutions (RCW 28B.80.350(6)).

Recognizing that a strong faculty and staff are the backbone of a high-quality public educational system, the Fiscal Committee recommends a number of strategies and flexibility to deal with salary challenges in the 2001-2003 biennium. This recommendation will allow colleges and universities to continue to close the salary gap between their faculty and faculty at peer institutions. Specifically, the recommendations include the following:

- 6% and 4% basic salary increases for faculty and professional/exempt staff at the four-year institutions *\$82.7 million
- 5% and 5% for faculty and professional/exempt staff at the community and technical colleges *\$52.6 million
- recruitment and retention funding for faculty and professional/exempt staff at all institutions *\$25.7 million
- special labor market adjustments ~~for research universities~~ ~~\$9.0~~ **\$9.5 million
- community and technical college part-time faculty equalization \$20.0 million

Also crucial to closing the gap is ensuring that the state preserves the current level of employee benefits and that institutions retain their current flexibility to identify and redirect other revenue and savings to salary and benefit increases. The Fiscal Committee also supports classified staff salary increases that are competitive with other sectors of the economy.

** These amounts are estimates provided by the Office of Financial Management (OFM). OFM is currently gathering data to re-calculate the specific cost of these proposals. Final numbers should be available in November.*

***Includes specific requests by UW, WSU and WWU. The HECB also recommends the Governor and Legislature consider similar adjustments for the other colleges and universities.*

BACKGROUND

Earlier this year, staff reviewed with institutions the status of fall 1999 faculty salaries compared with their peers across the nation. The results of that review are summarized on the following tables. As indicated, by the end of the 1999-2001 biennium, faculty salaries at all of the state's public higher education institutions will lag those at their respective peer institutions. Data presented here also include the rankings of Washington higher education institutions compared to the 75th percentile of respective peer groups.

Washington institutions compete for faculty in both the national and international marketplaces. As indicated in the following tables, institutions will generally make headway during this biennium in reducing the gap between average salaries and those of their peer institutions. This is largely the result of state-funded general salary increases plus recruitment and retention funds and flexibility in reallocating institutional funds for salary increases.

Failure to maintain market rates for salaries means that state institutions are at a disadvantage in recruiting and retaining the best faculty and staff. Institutions report that competitive offers have significantly increased compared to last biennium. One comprehensive institution reported a total staff vacancy rate of 15 percent due to difficulties in replacing staff in the competitive job market. Turnover, morale, and overall quality are affected when a college or university loses its best staff to other institutions.

Studies, such as the one contracted by the University of Washington, and data from Washington State University have shown a corresponding gap in the salary levels of exempt and other professional staff. This is a condition most likely shared by other institutions, although explicit studies have not been undertaken at those institutions. A survey released by the state Department of Personnel found similar results for classified staff at the institutions.

INSTITUTION REQUESTS

Faced with this problem, all of the state's four-year institutions have designated salary increases as their top priority in the next biennium. In September, the four-year institutions presented to the HECB a coordinated proposal for a salary increase of 6 percent for fiscal year 2002 and 4 percent for fiscal year 2003 for faculty and exempt staff during the upcoming biennium.

In addition to the general salary increases stated above, four-year institutions have requested one percent of the salary base each year of the biennium for recruitment and retention pools. In addition, the University of Washington, ~~and~~ Washington State University and Western Washington University have requested a special pool to address salaries in critical market areas, such as biotechnology and information technology. Institutions are also asking for flexibility in their salary appropriations by the Legislature to help address salary issues.

The community and technical college system has requested a general salary increase of 5 percent in each year of the biennium. The SBCTC has also requested increased funding to continue equalizing part-time faculty salaries with those of their full-time counterparts, to provide and fund sick leave and retirement benefits for some part-time faculty, and to fund faculty increments.

TABLE 1
SUMMARY OF FACULTY SALARY RANKINGS
Compared to the Peers Average Salary

projected to June 30, 2001

	FY2000					FY2001 (as of 6-30-01)			
	Fall 1999 Data - 9/10 & 11/12 mo faculty					ESTIMATED *			
	AVG	% ile	PEERS	%		AVG	% ile	PEERS	%
	SALARY	RANK *	AVERAGE	DIFF.		SALARY	RANK *	AVERAGE	DIFF.
UW	68,463	44th	71,964	5.1%		71,373	40th	75,202	5.4%
WSU	58,533	9th	68,132	16.4%		61,196	9th	71,198	16.3%
EWU	51,101	43rd	55,670	8.9%		53,370	47th	57,507	7.8%
CWU	48,556	24th	55,670	14.7%		50,984	29th	57,507	12.8%
TESC	46,984	17th	55,670	18.5%		50,428	26th	57,507	14.0%
WWU	51,746	48th	55,670	7.6%		54,333	53rd	57,507	5.8%
SBCTC	42,287	n/a	n/a	n/a		n/a	n/a	n/a	n/a

Notes:

* The average salary would be at the 50th%ile in a normal distribution.

A ranking of 44th represents a higher salary than a ranking of 9th.

Research universities: all peer institutions included.

Comprehensive universities: 236/278 peer institutions included.

Community & technical colleges peer salary data are not available.

Data for 11/12 month faculty have been normalized to 9/10 month equivalent.

Notes:

* **Peers** projection based on 3-year average salary increase of respective peer groups. (4.5% & 3.3%)

Washington four-year institution's salary are as reported. Salary increases include

3% & 1% for faculty recruitment and retention.

In addition, institutions were granted authority to provide salary increases from other sources.

TABLE 2
SUMMARY OF FACULTY SALARY RANKINGS
Compared to Peers 75th Percentile

projected to June 30, 2001

	FY2000					FY2001 (as of 6-30-01)			
	Fall 1999 Data - 9/10 & 11/12 mo faculty					ESTIMATED *			
	AVG	% ile	PEERS	%		AVG	% ile	PEERS	%
	SALARY	RANK	75th'ile *	DIFF.		SALARY	RANK	75th'ile *	DIFF.
UW	68,463	44th	78,467	14.6%		71,373	40th	81,998	14.9%
WSU	58,533	9th	70,048	19.7%		61,196	9th	73,200	19.6%
EWU	51,101	43rd	57,932	13.4%		53,370	47th	59,844	12.1%
CWU	48,556	24th	57,932	19.3%		50,984	29th	59,844	17.4%
TESC	46,984	17th	57,932	23.3%		50,428	26th	59,844	18.7%
WWU	51,746	48th	57,932	12.0%		54,333	53rd	59,844	10.1%
SBCTC	42,287	n/a	n/a	n/a		n/a	n/a	n/a	n/a

Notes:

* The average salary would be at the 50th%ile in a normal distribution.
 A ranking of 44th represents a higher salary than a ranking of 9th.
Research universities: all peer institutions included.
Comprehensive universities: 236/278 peer institutions included.
Community & technical colleges peer salary data are not available.

Data for 11/12 month faculty have been normalized to 9/10 month equivalent.

Notes:

* **Peers** projection based on 3-year average salary increase of respective peer groups. (4.5% & 3.3%)
Washington four-year institution's salary are as reported. Salary increases include 3% & 1% for faculty recruitment and retention. In addition, institutions were granted authority to provide salary increases from other sources.

SUMMARY: HECB 2001-2003 HIGHER EDUCATION OPERATING BUDGET RECOMMENDATIONS

State General Fund

\$ Millions

	<u>UW</u>	<u>WSU</u>	<u>EWU</u>	<u>CWU</u>	<u>TESC</u>	<u>WWU</u>	4-YEAR <u>TOTAL</u>	<u>NSIS</u>	<u>SBCTC</u>	<u>HECB</u>	TOTAL <u>ALL</u>
Current Biennium Budget	652.4	380.4	85.5	86.8	47.2	109.6	1,362.0	0.4	946.5	241.0	2,549.9
Carry Forward Level	670.1	395.6	88.5	89.5	48.5	113.4	1,405.6	0.6	984.7	246.8	2,637.7
New facilities on line	3.0	4.0	0.7			0.8	8.5		5.0		13.5
Inflation, utilities	10.7	5.5	0.7	0.3	0.5	0.6	18.2		5.5		23.7
All Other	1.6	0.1			0.0	0.3	2.0		4.3	0.2	6.5
Subtotal	15.3	9.6	1.4	0.3	0.5	1.7	28.8		14.8	0.2	43.7
Maintenance Level	685.4	405.2	89.9	89.8	49.0	115.1	1,434.4	0.6	999.5	247.0	2,681.5
New Proposals:											
New Enrollments	13.0	1.7	2.1	0.7	1.5	2.5	21.5		32.3	4.7	58.4
Financial Aid							-			53.8	53.8
*College Awareness Project	2.2	1.5	0.8	0.9	8.5	1.3	15.2				15.2
Outreach/Diversity/Meet Student Needs		12.2	3.3	2.9	1.0	5.1	24.5	0.4		3.3	28.3
Competency Based Admissions							-			0.5	0.5
Promote E-learning	4.2		3.6	2.2	2.0	2.4	14.4		6.5	2.0	22.9
Competency Based Degrees							-			0.2	0.20
Flexible Investments	4.5	7.5	3.3	4.2	1.4	6.1	27.0	1.0	41.9	1.5	71.3
Subtotal - New Proposals	23.9	22.9	13.1	10.9	14.4	17.4	102.6	1.4	80.7	65.9	250.6
TOTAL REQUEST	709.3	428.1	103.0	100.7	63.4	132.5	1,537.0	2.1	1,080.1	312.9	2,932.1
Increase over current biennium: \$	56.9	47.7	17.5	13.9	16.2	22.9	175.0	1.7	133.6	71.9	382.2
							12.9%		14.1%	29.8%	15.0%

** The Evergreen State College Center for Educational Achievement will be the College Awareness Program fiscal agent and receive the Building the Pipeline appropriations*

Salary Increases

**Faculty and professional/exempt staff basic increases	40.0	22.8	5.4	5.0	6.7	2.8	82.7		52.6		135.3
Faculty and professional/exempt Recruitment/Retention	7.4	4.2	1.0	0.9	0.5	1.2	15.3		10.4		25.7
Labor Market Adjustments	6.0	3.0				<u>0.5</u>	9.0 9.5				9.0 9.5
CTC Part-time Faculty Equalization									20.0		20.0

***Note: The recommended basic salary increase for the four-year institutions is 6% for FY 2002 and 4% for FY 2003; for the community and technical colleges it is 5% each year.*

SUMMARY: HECB 2001-2003 OPERATING BUDGET RECOMMENDATIONS

State General Fund, \$ Millions
All State Institutions and HECB

Current Biennium Budget	2,549.9
Cost to Maintain Current Programs and Services	<u>131.6</u>
Total, Budget Level to Maintain Current Programs and Services	2,681.5
New Proposals:	
New Enrollments	58.4
Financial Aid	53.8
College Awareness Project	15.2
Outreach, Diversity and Assisting Students	28.3
Competency-based Admission Project	0.5
E-learning Technology	22.9
Competency-based Degrees	0.2
Flexible Investments	71.3
Subtotal - New Proposals	250.6
TOTAL NEW INVESTMENTS	382.2
Increase over current biennium:	15.0%

Salary Increases

Faculty and professional/exempt staff basic increases	\$ 135.3
Faculty and professional/exempt Recruitment/Retention	25.7
Labor Market Adjustments	<u>9.0</u>
CTC Part-time Faculty Equalization	20.0

RESOLUTION NO. 00-51

WHEREAS, The Washington Higher Education Coordinating Board (HECB) is required by state law (28B.80 RCW) to review, evaluate, and make recommendations on the operating and capital budget requests of the state's public institutions of higher education; and

WHEREAS, Pursuant to 28B.80 RCW, the Board's budget recommendations are to be based on the following guidelines/criteria:

1. The role and mission statements of each of the four-year institutions and the community and technical colleges;
2. The state's higher education goals, objectives, and priorities; and
3. Guidelines that outline the Board's fiscal priorities.

WHEREAS, The public institutions of higher education have, pursuant to 43.88 RCW, submitted their respective operating and capital budget requests for the 2001-2003 biennium to the Governor; and

WHEREAS, The Board approved operating and capital budget guidelines at its January 27, 2000 meeting that stressed review of budget requests from the perspective of the goals set forth in the 2000 HECB Master Plan; and

WHEREAS, The Fiscal Committee of the Board has worked closely with the institutions throughout the spring and summer months of the budget discussion and review process to refine ranking criteria and develop the recommendations to be approved; and,

WHEREAS, The Board has worked in collaboration with the public and private institutions and other organizations to re-examine the enrollment goals set forward in the 2000 HECB Master Plan, the role of the community and technical colleges in meeting these goals, and the capital planning assumptions contained in the Master Plan; and developed these budget recommendations based on information and analysis developed during that process; and

WHEREAS, The Board wishes to express its appreciation to the institutions for their input and assistance in the development of these recommendations; and

THEREFORE, BE IT RESOLVED, That the Washington Higher Education Coordinating Board hereby adopts the 2001-2003 HECB Operating and Capital Budget Recommendations.

Adopted:

October 26, 2000

Attest:

Bob Craves, Chair

Kristianne Blake, Secretary

EDUCATIONAL OPPORTUNITY GRANT PROGRAM EVALUATION Draft Report and Recommendations

October 2000

EXECUTIVE SUMMARY

Over the past several months, the Higher Education Coordinating Board has conducted a review of the Educational Opportunity Grant (EOG) program. The study has evaluated the program's effectiveness in achieving the goals of the enabling legislation. It also has considered whether statutory or regulatory modifications should be proposed, given the Board's 2000 Master Plan for Higher Education's emphasis on placing the learner at the center of higher education decision making.

Study design and preliminary findings were discussed by the Board at its meetings in May and July 2000. Since that time, the Board's planning and policy committee has met twice to discuss the study. At the committee's direction, the attached draft report and recommendations are presented for discussion at the October 26, 2000, meeting of the Higher Education Coordinating Board. A summary of the planning and policy committee's draft recommendations is attached to the report as Appendix A.

It is anticipated that the Board will adopt a final report and recommendations at its meeting in December.

EDUCATIONAL OPPORTUNITY GRANT PROGRAM EVALUATION

Draft Report and Recommendations

October 2000

BACKGROUND

The 1987 Master Plan adopted by the Higher Education Coordinating Board (HECB) cited inadequate access to baccalaureate education for the state's urban population as an urgent problem. At the recommendation of the HECB, the 1990 Legislature established the Educational Opportunity Grant (EOG) program¹ as one of three strategies designed to address the need for greater access to baccalaureate education. The other strategies included lifting enrollment lids at four-year public institutions and creating branch campuses to serve upper-division and graduate students living in the state's urban areas.

The EOG program was created as a demonstration project to provide another educational option for "placebound"² residents of counties served by the branch campuses. It was based on an assumption that the size and, therefore, the construction and operating costs of the proposed branch campuses could be reduced if students could be encouraged, through the provision of a \$2,500 grant, to enroll in existing public or independent institutions with capacity.

The EOG program also was established to allay the concerns of independent colleges and universities that the new branch campuses would reduce their enrollments. Therefore, the enabling legislation specified that the EOG could not be used to attend a branch campus.

Since its inception in 1990, the Educational Opportunity Grant program has provided nearly \$12.5 million in financial aid to assist approximately 3,100 students in completing upper division studies.³ Most recipients have received the grant for two years.

Like other financial aid programs, the EOG program requires recipients to demonstrate financial need. The program is unique, however, in several ways. To receive an EOG a student must:

- Have received an associate of arts degree or its equivalent;
- Intend to complete a baccalaureate degree;
- Meet the statutory definition of "placebound;"
- Reside in one of 13 counties served by a branch campus;
- Attend a Washington public or private four-year college or university with the capacity to accommodate students within existing education programs and facilities; and
- Adhere to the EOG program's religious-program exclusion.⁴

¹ A copy of the statute establishing the EOG program is found in Appendix B.

² RCW 28B.101.020(1) defines placebound as, "unable to relocate to complete a college program because of family or employment commitments, health concerns, monetary inability, or other similar factors." Subpart (2) of the same section states, "...A placebound resident is one who may be influenced by the receipt of an enhanced student financial aid award to attend an institution that has existing unused capacity rather than attend a branch campus established pursuant to chapter 28B.45 RCW. An eligible placebound applicant is further defined as a person whose residence is located in an area served by a branch campus who, because of family or employment commitments, health concerns, monetary need, or other similar factors, would be unable to complete an upper-division course of study but for receipt of an educational opportunity grant."

³ Appendix C provides a report of awards and expenditures, by institution, by year.

Finally, because the program was established to encourage needy, placebound students to attend existing baccalaureate institutions, the enabling legislation also stipulates that recipients may not use the grant to attend a branch campus.⁵

The program serves a population that is unique from that of other aid programs. The typical recipient is older than other aided students, is most likely to be female, and is more likely to have children to support. With a family size of 2.4, and an income of approximately \$15,000, she is expected to contribute about \$1,500 toward her own college costs. She also is likely to receive a State Need Grant, together with other grants, and will borrow over \$5,500 per year to complete her baccalaureate education.

A supplement to other grant aid, the EOG reduces the amount of need-based loans the student would otherwise have to assume or helps cover documented need not met by other aid programs. Its purpose is to provide a financial incentive to enable placebound students who face barriers to continuing their education to enroll in a local college or university or to relocate to complete their baccalaureate degree.

While recipients may reside in any of 13 counties served by a branch campus, traditionally about three-fourths each year are from King, Pierce, Spokane, or Yakima counties.⁶

1994 PROGRAM EVALUATION

The EOG program last underwent comprehensive review in 1994.⁷ That study, conducted by William Chance (NORED), concluded that the program appeared to be meeting its intended purposes and goals. Specifically, it stated, “Grants in the amount of the EOG apparently can induce otherwise placebound students to attend institutions the cost of which otherwise might have been beyond their means. The effects are reflected in the enrollment patterns of EOG recipients, which have been predominantly in local institutions.”

The 1994 evaluation found that the EOG program had been less effective as an inducement for students to relocate (although some participants had done so), noting that the independent variable appeared to be the combination of circumstances affecting the potential mobility of the student. People with jobs, families, or other such responsibilities, were unlikely to relocate to complete their baccalaureate for grants in the amount of the EOG.

The report indicated that the EOG program was reaching its intended clientele and that EOG recipients were more likely to complete their baccalaureate degrees than other students. Students who received EOG awards during the program’s first two years and attended the three institutions with the largest number of recipients, had a baccalaureate degree completion rate of 85 percent – substantially greater than that of other students.

⁴ RCW 28B.101.040, “...The participant shall not be eligible for a grant if it will be used for any programs that include religious worship, exercise, or instruction or to pursue a degree in theology...”

⁵ RCW 28B.101.040, “...Grants shall not be used to attend any branch campus or educational program established under chapter 28B.45 RCW...”

⁶ Other eligible counties include Benton, Clark, Cowlitz, Franklin, Kitsap, Skamania, Snohomish, Thurston, and Walla Walla. See Appendix D.

⁷ Chance, William (May 1994), *Educational Opportunity Grant Program Evaluation for the Washington State Higher Education Coordinating Board*.

However, the study raised questions regarding the statutory provisions limiting eligibility to residents of counties served by branch campuses and restricting use of the EOG at the branch campuses. Following consideration and discussion of the 1994 evaluation, the Board chose to continue the program as currently enacted.

LEGISLATIVE INTEREST

In each of the last three years, legislation has been considered to modify various aspects of the EOG program. Bills introduced in 1997, and reconsidered in 1998, proposed to do one or more of the following: 1.) extend eligibility to students from all counties; 2.) permit use of the grant at branch campuses; 3.) eliminate references to unused capacity; and 4.) use grants to fill under-enrollments. Another bill, introduced in 1998, would have authorized the use of Educational Opportunity Grants at WSU's Vancouver branch campus and for Oregon border reciprocity. In 1999, some legislators expressed interest in expanding eligibility to students in all counties, but deferred action until the Board had had an opportunity to complete its review of the program and recommend any modifications.

2000 PROGRAM REVIEW

In conducting the current EOG program review, HECB staff evaluated the program's effectiveness in achieving the goals of the enabling legislation. The study also considered whether to propose statutory or regulatory modifications, given changes that have occurred in higher education delivery since 1990, when the program was established, particularly given the emphasis in the Board's 2000 Master Plan for Higher Education on placing the learner at the center of higher education decision making.

Part I: Evaluation of Program Effectiveness in Achieving Statutory Goals. Because of its size, the program cannot be viewed as having had a significant impact on the statewide baccalaureate degree completion rate. Therefore, program effectiveness has been evaluated from the perspective of the program's influence on the enrollment patterns of the urban, placebound students the program was designed to assist.

Two study questions were identified for analysis:

- **Question 1:** Does participation in the EOG program associate with increased persistence toward a baccalaureate degree? (Or, stated another way, how did the number of credits attempted and completed by EOG recipients compare to other aided, upper-division Washington students?); and
- **Question 2:** To what extent does participation in the EOG program associate with enrollment at a Washington four-year institution? (Or, to what extent does the EOG program influence urban, placebound students to pursue upper-division coursework?)

The 1994 evaluation utilized student surveys for its analysis of program performance. To complement that work, and to gain a different perspective, staff decided to employ statistical analysis in conducting the current review.

The study period commenced with the 1994-95 academic year. Data were collected from five sources:

- EOG recipient data file;
- EOG denied applicant data file;
- Student financial aid recipient (Unit Record Report) data base;
- Student financial aid application (Free Application for Federal Student Financial Aid) data base; and
- Enrollment records provided by institutions, showing credits attempted and completed by students in the sample populations during a designated timeframe.

Question 1: How did the number of credits attempted and completed by EOG recipients compare to other aided, upper-division Washington students?

According to enabling legislation, it is the intent of the program to assist placebound students who have completed an associate of arts degree, or its equivalent, in an effort to increase their participation in, and completion of, upper division programs. To assess whether the EOG program is achieving this statutory goal, staff compared the total number of credits earned by EOG recipients over a two-year period to two comparison groups: 1). other upper-division financial aid recipients from the 13 counties designated as EOG-eligible; 2). and upper-division financial aid recipients from the 26 Washington counties not currently eligible to participate in the EOG program. Institutions provided term-by-term enrollment data for each of the students in the HECB's sample populations, for specified time periods.

Information provided by the institutions revealed that EOG recipients completed four credits more over a two-year period than other upper-division, aided students from EOG-eligible counties. This difference is not statistically significant, and does not seem noteworthy until further observation is made of the difference in the profiles of EOG recipients, compared to other aided, upper division students from the same counties. As shown in greater detail in Table 1, EOG recipients were:

- Older (29, compared to 26);
- Half as likely to be dependent on their parents for support (18 percent, compared to 38 percent);
- Much more likely to have children of their own (61 percent, compared to 35 percent); and
- Needier than students in their same-county comparison group (with a mean financial need of \$15,928, compared to \$11,913).

Considering the existence of multiple factors that presumably made their participation in higher education more difficult, the fact that these placebound students completed as many credits as other aided students from the same counties is a positive finding.

Surprisingly, the enrollment data revealed that EOG recipients earned 16 quarter credits *more*, over a two-year period than upper division financial aid recipients in the study group from counties not eligible for the EOG program. Further comparison of the profiles of these two populations indicates somewhat more similarity than was found between EOG recipients and other aided students from eligible counties.

Table 1
Selected Variables of Sample Populations
EOG Recipients Compared to Upper Division Aid Recipients
From Eligible and Ineligible Counties
1994-95 through 1997-98 Cohorts

Means and Frequencies of Selected Variables by Group

Variable	EOG Participant N= 164	Other Upper Division Aid Recipients from Eligible Counties N= 162	Other Upper Division Aid Recipients from Ineligible Counties N= 162
Mean Age	29	26	28
Gender			
Female	74%	59%	62%
Male	26%	41%	38%
Family Status			
Dependent	18%	38%	29%
Ind., Single	16%	23%	23%
Ind., Single, Child	35%	20%	28%
Ind., Married	6%	4%	5%
Ind., Married, Child	26%	15%	15%
Race/Ethnicity			
White	70%	57%	77%
African American	4%	3%	1%
Native American	3%	3%	6%
Asian/Pacific Islander	9%	23%	5%
Latino/Hispanic	7%	7%	3%
Other/Unknown	7%	6%	9%
Mean Expected Family Contribution	\$ 1,482	\$ 1,338	\$ 1,319
Mean Financial Need	\$15,928	\$11,913	\$10,797

Conclusion

In summary, the “boost” provided by the EOG has enabled recipients to participate in upper division studies at the same rate as other students with fewer barriers. Furthermore, the data suggests that the EOG might be effective in improving the enrollment of “placebound” students in counties not presently served by the program.

Question 2: To what extent does the EOG program influence urban, placebound students to pursue upper division coursework?

To answer this question, the enrollment patterns of three different groups of students who applied for an EOG for the 1998-99 school year were compared, to determine if they were equally likely to enroll in a four-year institution within the first year of EOG application. The three groups were:

- EOG Recipients: Students who received EOG funds during the 1998-99 school year.
- EOG Eligible Non-Participants: Students who were awarded EOG eligibility, but did not receive EOG funds during the 1998-99 school year.
- EOG Denied Applicants: Students who completed the application process, but did not meet EOG criteria of “placebound” and/or financial need.

Based on institutional enrollment data, 62 percent of the eligible non-participants did not enroll at a participating institution during the 1998-99 academic year. Conversely, 38 percent attended for at least part of the academic year without receiving an EOG. Some of these students, who appeared to be eligible based on their EOG application form but did not use a grant, enrolled at a branch campus and could not use the EOG. Others, who had anticipated achieving junior standing for the upcoming academic year, did not reach that goal. Still others may have been determined to be ineligible by the institution they attended for various other reasons, such as revised financial need, or failure to enroll for or complete enough credits.

It is interesting to note that there is little difference in the profiles of EOG participants and eligible non-participants. (See Table 2.) Further statistical analysis, controlling for multiple factors, indicates that only a part of the difference in enrollment can be attributed to age, expected family contribution, financial need, gender, or race/ethnicity. The data revealed, however, that a higher percentage of non-enrolled, eligible non-participants had children, which may have influenced their enrollment decision. It was also interesting to note that a much higher percentage of eligible non-participants were from King County, where the job market may have influenced a decision to defer education, or where they may have attended other, non-participating institutions.

Conversely, significant differences were observed between EOG recipients and denied applicants. Applicants who were denied were younger, had a much higher expected family contribution, had less financial need, and were significantly more likely to be dependent on their parents for support. As a group, these students did not meet the definition of “placebound.” Ninety-one percent of the denied applicants enrolled at a participating institution during the 1998-99 academic year. One could reasonably conclude that the application process effectively identifies students who do, and who do not, need the grant in order to continue upper division programs, since the preponderance of denied applicants attended without the grant.

Table 2
1998-99 Sample Groups
EOG Recipients Compared to EOG-Eligible Non-Participants and Denied Applicants

Means and Frequencies of Selected Variables by Group

Variable	EOG Recipients n=149	EOG-Eligible Non-Participants n=71	EOG Denied Applicants n=150
Mean Age	27	29	24
Mean EFC	\$1,859	\$1,818	\$6,149
Mean Need	\$13,548	\$13,274	\$9,730
Gender			
Female	101 (68%)	46 (65%)	80 (53%)
Male	48 (32%)	25 (35%)	70 (47%)
Family Status			
Dependent	39 (26%)	13 (18%)	86 (57%)
Ind, Single	43 (29%)	17 (24%)	29 (19%)
Ind, Single, Child	34 (23%)	20 (28%)	8 (5%)
Ind Married	9 (6%)	4 (6%)	17 (11%)
Ind Married Child	24 (16%)	17 (24%)	10 (7%)
Race/Ethnicity			
White	90 (60%)	37 (52%)	93 (62%)
African American	10 (7%)	4 (6%)	8 (5%)
Native American	3 (2%)	1 (1%)	4 (3%)
Asian/Pacific Islander	19 (13%)	6 (8%)	15 (10%)
Latino/Hispanic	10 (7%)	6 (8%)	10 (7%)
Other/Unknown	17 (11%)	17 (24%)	20 (13%)
County			
Benton	3 (2%)	1 (1%)	2 (1%)
Clark	2 (1%)	1 (1%)	1 (1%)
Cowlitz	4 (3%)	1 (1%)	1 (1%)
Franklin	1 (1%)	0 (0%)	2 (1%)
King	38 (25%)	22 (31%)	30 (20%)
Kitsap	7 (5%)	5 (7%)	8 (5%)
Pierce	28 (19%)	11 (15%)	22 (15%)
Skamania	0 (0%)	0 (0%)	0 (0%)
Snohomish	10 (7%)	6 (8%)	20 (13%)
Spokane	30 (20%)	9 (13%)	30 (20%)
Thurston	9 (6%)	4 (6%)	15 (10%)
Walla Walla	3 (2%)	0 (0%)	4 (3%)
Yakima	14 (9%)	4 (6%)	10 (7%)
Unknown	0 (0%)	7 (10%)	5 (3%)

Conclusion

In summary, the EOG program appears to be responsive to its statutory goal of increasing the participation and completion of upper-division programs by placebound students. EOG recipients are much more likely to enroll than other students with similar characteristics who do not receive an EOG. Once enrolled, EOG recipients tend to complete as many, or more, credits than other upper division, aided students, even though they face many challenging barriers.

Part II: Consideration of Statutory or Regulatory Modifications

At the outset of the study, the Board determined that the review should consider whether current EOG program criteria are relevant in today's educational environment, or whether modifications should be proposed, given changes in higher education delivery since the program's establishment in 1990. Therefore, the study incorporated a review of student eligibility, institutional eligibility, and grant amounts. The issues addressed by the study and the Board's recommendations follow.

Issue 1. Should the EOG program continue to serve only urban placebound students who reside in counties served by branch campuses established under Chapter 28B.45 RCW, or should it be extended to eligible residents in all counties?

Background. RCW 28B.101.020(1) defines "placebound" as "unable to relocate to complete a college program because of family or employment commitments, health concerns, monetary inability, or other similar factors." Subsection (2) continues, "...A placebound resident is one who may be influenced by the receipt of an enhanced student financial aid award to attend an institution that has existing unused capacity rather than attend a branch campus who, because of family or employment commitments, health concerns, monetary need, or other similar factors, would be unable to complete an upper-division course of study but for receipt of an educational opportunity grant."

The 1987 Master Plan adopted by the HECB, which introduced the need for branch campuses (and subsequently the EOG program), indicated concern about the state's production of baccalaureate-degree recipients, citing access to baccalaureate institutions as a serious problem. It noted that "people of all ages and incomes can be placebound, but our older population is a large share." It noted that relocation is difficult and costly for placebound students who would find it difficult to find jobs in the rural areas in which most of the state's public baccalaureate institutions are situated, placing increased burden on the financial aid system. Particular concern was raised regarding the educational needs of the state's urban population.

The EOG program was established to make it financially possible for needy, placebound students who face multiple barriers to baccalaureate education to enroll in a local college or university, or to relocate to attend another institution. The law limits eligibility to students who live in counties served by branch campuses. As can be seen on the map in Appendix D, these counties are predominantly in the state's urban areas.

Discussion. Students served by the EOG program share characteristics that make it difficult to complete baccalaureate degrees. They are older, self-supporting, and primarily heads-of-household. Personal circumstances often prevent them from relocating to pursue upper division coursework.

The EOG program fills a unique and important niche by assisting this population. However, it is difficult to argue that students with those same characteristics who reside in the more rural counties not served by branch campuses are not at least as "placebound" as those who live in urban counties served by branch campuses. The current "county of residence" limitation creates inequities and does not respond to the needs of individuals from all parts of the state who face barriers that preclude baccalaureate degree completion.

Recommendation. The EOG program should continue to serve students who are placebound by virtue of their personal and family circumstances. However, eligibility should be extended to students from all counties.

Such a change is not anticipated to result in a large increase in the number of individuals applying for an EOG, since the population and college participation rates of the additional counties are significantly smaller than the urban counties that are currently eligible. (In 1998, 82 percent of the students enrolled in public four-year institutions were from counties that are currently eligible for the EOG program.)

Issue 2: Should other student eligibility criteria be modified? The study also considered whether other student eligibility criteria, as presently operationalized, should be modified.

Full Time Attendance. The EOG is designed as a two-year program to help upper division students complete a baccalaureate degree in a timely manner. (Third-year awards may be made to students in programs that traditionally require more than two years to complete, and who request continuation of the grant.) Although full-time enrollment is emphasized, recipients who attend at least half-time (six credits or more) continue to receive the full EOG as long as they meet the financial need criteria.

Discussion. EOG recipients tend to enroll full-time and, if possible, year-round, in order to complete their programs as quickly as possible and enter or re-enter the labor market. However, it is occasionally necessary for a recipient to attend less than full-time. Institutional aid administrators report that the at-risk population served by the EOG program needs to have the flexibility to attend less than full-time without losing grant eligibility. They recommend that, while emphasizing service to full-time students within the bounds set by total length of eligibility, the EOG program should permit otherwise eligible recipients to receive the grant for less than full-time attendance.

Recommendation. The EOG program should continue to encourage full-time attendance, but retain flexibility to assist recipients who need to temporarily reduce their course-load, as long as the student is enrolled at least halftime and is otherwise eligible for the grant.

Class Standing. The enabling legislation for the EOG program states in RCW 28B.101.020(2), “To be eligible for an educational opportunity grant, applicants must ...have completed the associate of arts degree or its equivalent.” Rules adopted by the HECB (WAC 250-70-020(8)) define “associate of arts degree or equivalent” as coursework comparable to admission at the junior level or above by the enrolling institution.

Discussion. Students typically may apply for the EOG in anticipation of completion of a transfer degree and subsequent enrollment in a baccalaureate institution. They may be admitted to a four-year institution and begin study before their transcripts have been fully evaluated and class standing has been determined.

Grants are prorated to include only the terms in the academic year after which the student has officially achieved junior status. Eligibility is forfeited if junior standing is not attained by the start of winter term. In some cases, particularly when a student completes his or her transfer degree during summer term and immediately enrolls in a baccalaureate program for fall, institutions are unable to complete transcript evaluation in time to make a fall term EOG disbursement. In other instances, students may be required to complete prerequisites to be admitted to their major with junior standing. If they cannot complete the prerequisites prior to the start of winter term, they become ineligible for the full year. A more flexible system that provides a reasonable amount of time for transcript evaluation and attainment of junior standing would benefit program recipients.

Also, as specified in the enabling legislation, current HECB rules require recipients to complete an associate of arts degree or its equivalent, defined as coursework comparable to admission at the junior level or above by the enrolling institution. In recent years, community colleges have begun to award associate of science degrees, which are recognized as equivalent to the associate of arts degree.

Recommendations.

- 1.) The HECB should amend EOG rules to include other direct transfer degrees, such as the associate of science degree, for purposes of establishing EOG eligibility.
- 2.) An EOG recipient who has been awarded an associate of arts degree or its equivalent, as defined by the HECB, should be eligible to receive the grant upon transfer to a baccalaureate institution. However, to continue to receive the EOG, the student must have attained junior status by the end of the first term of the award.

Initial Eligibility and Renewability. Funding for the EOG program has varied widely from biennium to biennium. To avoid disruptions in study that might otherwise result for this population if grants were not renewable, the program has adopted a funding priority that first awards renewals, then new full-time applicants, and then third year petitions. As noted above, awards are generally available for two years, subject to the student's continuing eligibility and good standing. On a funds-available basis, students may receive grants for summer enrollment.

Discussion. Institutional financial aid administrators advise that the two-year award period is critical to the population served by the EOG program. They report that recipients are often anxious to complete their programs as quickly as possible, and suggest building greater flexibility into the program.

For example, EOG recipients could be better served if their initial awards could begin during any academic term, upon transfer to an eligible institution, and be used for up to two full years, including summer term. Subject to continuing eligibility, students would be advised that they could receive a specified maximum grant amount for attendance, up to a maximum number of academic terms. Given the characteristics of the recipient population, recipients should have the flexibility to "stop out" for one academic term without losing eligibility for the grant. However, since it is the goal of the program to encourage timely completion of the baccalaureate degree, recipients who fail to enroll for more than one term should be required to reapply for the grant, with the number of terms previously awarded counted toward their overall maximum.

These modifications would require development of administrative procedures to track student eligibility. Such procedures would not be difficult to implement, since similar tracking is done for other state financial aid programs.

Recommendation: EOG recipients should be able to receive their grant to begin upper division study during any academic term. New recipients should be advised that as long as they maintain eligibility, they may receive the EOG for up to eight quarters (or equivalent) of study. Renewability will not be forfeited if a student stops out for a single term during the academic year. However, students who fail to attend for more than one regular academic term during the period of their award will be required to reapply for the grant. If they are reawarded, previous terms of enrollment during which they received an EOG will count toward their total eligibility.

The HECB should design and implement administrative procedures necessary to track recipient eligibility.

Issue 3: Should institutional eligibility be reconsidered?

RCW 28B.101.040 specifies that “Grants may be used by eligible participants to attend any public or private college or university in the state of Washington that is accredited by an accrediting association recognized by rule of the Higher Education Coordinating Board and that has the capacity to accommodate such students within existing educational programs and facilities.” It also states, in the same section, that “Grants shall not be used to attend any branch campus or educational program established under chapter 28B.45.RCW” (the statute creating branch campuses).

Accreditation. Current EOG rules adopted by the HECB (WAC 250-70-030(1)) require that non-public baccalaureate institutions in the state of Washington be accredited by the Northwest Association of Schools and Colleges. In addition, the rules specify that any branch, extension or facility operating within the state of Washington, which is affiliated with an institution operating in another state, must be a separately accredited member institution of the Northwest Association.

Discussion. Washington students may pursue baccalaureate degrees from several out-of-state institutions that offer instruction in Washington State. Some of these institutions have provided baccalaureate instruction in Washington for many years. Although their parent campuses are accredited by the regional accrediting association for their area, they are not eligible to participate in state financial aid programs because their Washington locations are not separately accredited by the Northwest Association.

At the end of last year’s legislative session, a bill was introduced to amend the State Need Grant and State Work Study statutes. It sought to redefine “eligible institution” to include branch campuses of a member institution of an accrediting association, recognized by rule of the Board, as long as the branch is eligible for federal student financial aid programs and has operated as a nonprofit entity, delivering on-site classroom instruction within the state of Washington for a minimum of ten consecutive years. It is anticipated that the bill will be reintroduced during the 2001 Legislative Session. Rules defining institutional eligibility for the EOG program could also be so amended.

Although the number of EOG recipients who would opt to attend these out-of-state branch campuses is expected to be minimal, there is no logical rationale to exclude them from participation as long as adequate safeguards are in place to ensure reasonable administrative capability and consumer protection. At a minimum, such educational sites should be required to participate in the State Need Grant and federal financial aid programs, since EOG recipients are dependent on other sources of financial aid in order to attend. In addition, they should be required to demonstrate that they are willing and able to properly administer the program.

Recommendation. Should the Legislature modify State Need Grant statute to extend eligibility to branches of accredited nonprofit institutions from other states, EOG rules should be amended to correspond. At a minimum, an institution, branch, extension, or facility operating within the state of Washington, which is affiliated with a regionally accredited, nonprofit institution in another state must:

- Have delivered on-site classroom instruction within the state of Washington for a minimum specified period of time,
- Be fully certified and participate in federal student financial aid programs;
- Be eligible and participate in the Washington State Need Grant program; and
- Provide necessary assurances of administrative capability.

All eligible institutions must agree to, and comply with, program rules and regulations adopted by the Higher Education Coordinating Board, as well as procedures specified by the Board for program administration.

Capacity. Current law indicates that recipients may use the EOG only at eligible institutions “which have the capacity to accommodate such students within existing educational programs and facilities.” (RCW 28B.101.010.)

Discussion. Institutional capacity is a function of physical space and scheduling. The “existing capacity” criterion of the enabling legislation for the EOG program was based on the presumption that the state would realize cost savings if students would attend established institutions that had physical space and could accommodate them in existing programs (rather than requiring space/programs at one of the new branch campuses).

The EOG program was proposed when public institutions were subject to enrollment lids and when each was assigned a geographic service area. With elimination of both enrollment lids and service areas, “existing capacity” has become a meaningless term.

Recommendation. References to attendance at institutions with existing unused capacity should be eliminated.

Branch Campuses. As previously noted, the EOG program was adopted as one of three strategies to increase upper division and graduate enrollment. The other strategies were to lift enrollment lids at the public baccalaureate institutions, and to establish branch campuses to serve upper division and graduate students living in the state’s urban areas.

The enabling legislation for the EOG program specified that the grants could not be used at branch campuses for two reasons: 1.) To encourage students to attend existing institutions, thereby reducing construction and operating costs of the new branch campuses, and 2.) To mitigate concerns of the independent colleges in areas to be served by branch campuses that the new branch campuses would negatively impact their enrollments. Now that the branches have been in existence for several years, some question whether the restriction should be eliminated.

Discussion. Compelling arguments are made for continuing to limit EOG eligibility to non-branch campuses, as well as for permitting recipients to use their grants to attend a branch campus.

Proponents of the current program argue that it is much more cost effective for the state to provide a \$2,500 EOG for a student to attend an independent college or university, than it is for the EOG recipient to attend a public institution, where it costs the state considerably more to provide instructional support. It is their position that it would cost the state even more money if EOG recipients attended branch campuses, since operating costs are higher at the branch campuses than at other state institutions, and since, in some locations, the increased enrollment pressures created by the added enrollments could result in the demand for additional capital construction.

Proponents who support allowing EOG recipients to use their grants at the branch campuses argue that, since the branch campuses have been built, it makes sense to maximize available space. They assert that the branch campuses are on a capital project schedule that does not respond quickly to increased demand, and that the EOG program would have little or no impact on further capital development. They believe that EOG recipients should be allowed to choose the program and institution that best responds to their educational goals, and that that choice should include programs offered by the branch campuses.

Also at issue is an inconsistency which, while prohibiting EOGs to be used at branch campuses, permits their use at other extension centers and educational sites of public baccalaureate institutions. Students may not, for example, use their EOG to attend UW's Tacoma branch campus, but they may enroll in TESC's Tacoma site, or at CWU's SeaTac Center. Such is the case because language in the EOG statute is specifically linked to legislation establishing the branch campuses.

The program's relatively small size appears to have marginalized its effects on branch campus development. And, as capital and operating costs at the branch campuses have decreased over earlier years, it is difficult to make a strong case that it would cost the state substantially more to provide baccalaureate instruction at a branch campus than at another state-supported college or university.

Recommendation. Based on the HECB's commitment to provide all students, including financial aid recipients, with the ability to select the program and eligible institution that best responds to their educational goals, and given the fact that branch campuses have been built and provide instruction for upper division students, placebound students should be able to use their EOG to attend a branch campus.

Issue 4: Grant amounts. Legislation creating the EOG program specifies that the grant amount will be “up to two thousand five hundred dollars per academic year, not to exceed the student’s demonstrated financial need for the course of study.” (RCW 28B.101.040.)

Discussion. The original grant amount has not been updated since the program was established 10 years ago. When the grant amount was set, \$2,500, together with other grants the EOG recipient was presumed eligible to receive, represented about one-half the amount of tuition at independent colleges and universities. Grants of this size were reported by researchers as having a positive impact on student retention.

The grant amount was set in statute with no mechanism in place for updating to reflect increases in college costs, availability of other grant assistance, or other factors that would indicate the need for adjustment.

Recommendation. Authority to establish grant amounts should be vested with the Higher Education Coordinating Board. Grant amounts should be set by the Board, taking into account such factors as the costs of attendance and the availability of other grant assistance.

CONCLUSION

This review reaffirms the role of the Educational Opportunity Grant program as an integral part in the state’s overall strategy to improve the baccalaureate degree completion rate of the state’s citizens. By providing a supplemental grant to students who are placebound by family, financial, health, or employment considerations, the program enables recipients to enroll in a four-year college or university that they could not otherwise afford to attend.

The program appears to be responsive to its statutory goal of increasing the participation and completion of baccalaureate programs by placebound students. Recipients are much more likely to enroll than other students with similar characteristics who do not receive an EOG. Once enrolled, EOG recipients tend to complete as many, or more, credits than other upper division, aided students, even though they face many barriers to participation.

The program does not replicate other existing financial aid programs. Its focus on serving upper division, placebound students, as well as its use in replacing loans or in meeting financial needs not addressed by other financial aid programs, make it unique.

The status of the EOG program should be changed from a demonstration project to a permanent part of the state’s complement of financial aid programs for needy students.

APPENDICES

Appendix A: Summary of Issues and HECB Policy Committee Draft Recommendations

Appendix B: Chapter 28B.101 RCW

Appendix C: Educational Opportunity Grant: Summary of Year-End Data, 1990-91 – 1999-00

Appendix D: Map of EOG-Eligible Counties

EDUCATION OPPORTUNITY GRANT STUDY
SUMMARY OF ISSUES AND HECB POLICY COMMITTEE DRAFT RECOMMENDATIONS

CURRENT PROGRAM	HECB RECOMMENDATION	CHANGE REQUIRED
Student Eligibility		
A student must be a state resident.	No change recommended.	N/A
A student must reside in a county served by a branch campus.	The HECB finds no justification for limiting program participation to persons residing in certain counties and therefore recommends that county of residence requirements be eliminated.	Statutory change
A student must be “placebound.” Placebound is defined as unable to relocate to complete a college program because of family or employment commitments, health concerns, monetary inability or other similar factors.	The HECB recommends that the program continue to serve students who are placebound by virtue of their personal and family circumstances. However, the program should be extended to include placebound students from all counties.	Statutory change
A student must have financial need.	No change recommended.	N/A
A student must attend full time.	The program should continue to encourage full-time attendance, but retain flexibility to assist recipients who find it necessary to temporarily reduce their courseload, so long as the student is otherwise eligible for the grant.	N/A
A student must have completed an Associate of Arts Degree or its equivalent. Currently “or its equivalent” is defined as being at junior level class standing as determined by the baccalaureate institution.	<p>The Board intends to expand the definition of “or its equivalent” to include other direct transfer degrees, such as the Associate of Science Degree.</p> <p>The Board further intends to permit EOG recipients to receive the grant upon transfer into a baccalaureate institution, with continuing eligibility contingent upon having attained junior status by the end of the first term of award.</p>	Board action
A student may not be involved in a program that includes religious worship, exercise, or instruction or the pursuit of any degree in religious, seminarian, or theological academic studies.	No change recommended.	N/A
A student must maintain satisfactory progress as determined by policy of the institution in which they are enrolled.	No change recommended.	N/A

CURRENT PROGRAM	HECB RECOMMENDATION	CHANGE REQUIRED
Initial Eligibility and Renewability		
Grants are generally available for two years, but may be extended to a third year for students in longer programs. On a funds-available basis, students may receive grants for summer enrollment. Typically, grants are awarded for study beginning fall term.	The Board intends to implement administrative procedures to allow grant periods to begin during any academic term upon the student's transfer to an eligible institution. Students may be awarded grants for up to eight quarters (or equivalent) of study. Renewability will not be forfeited if a student stops out for a single term during the academic year. However, students who fail to attend for more than one regular academic term during the period of their award will be required to reapply for the grant. If they are reawarded, previous terms of enrollment during which they received an EOG will count toward their total eligibility.	Board action
Institutional Eligibility		
Participating institution must confer baccalaureate degrees.	No change recommended.	N/A
Participating institution must be accredited by the Northwest Association of Schools and Colleges	<p>If legislation is adopted to amend institutional eligibility for the State Need Grant program, the Board intends to expand recognition of accredited institutions for the EOG program, as well. Subject to such legislative action, the Board will amend EOG rules to include an institution, branch, extension, or facility operating within the state of Washington, which is affiliated with a regionally accredited nonprofit institution in another state which:</p> <ul style="list-style-type: none"> ♦ Has delivered on-site classroom instruction within the state of Washington for a minimum specified period of time; ♦ Is fully certified, and participates in federal student financial aid programs; ♦ Is eligible, and participates in the Washington State Need Grant program; and, ♦ Provides necessary assurances of administrative capability. 	Statutory change may be desirable; Requires Rule Revision

CURRENT PROGRAM	HECB RECOMMENDATION	CHANGE REQUIRED
Institutional Eligibility (cont.)		
Branch campuses or educational programs established under chapter 28B.45 RCW are not eligible for participation.	<p>The Board recommends that eligibility be extended to recipients who wish to enroll at a branch campus. The Board recognizes that exclusion of the branch campuses was an integral element of the program's initial purpose. The grant was intended to affect student behavior by creating an incentive for students living in counties served by the branch campuses to select other institutions in their geographic area. It was felt that by decreasing demand on the branch campuses the state could reduce both the operating and capital budget impact of developing the branch campuses. Because of its small size, the program has been unable to clearly demonstrate such savings.</p> <p>Further, the HECB's 2000 Master Plan calls for higher education to "place learners at the center of decision making." Based on the Board's commitment to provide all students, including financial aid recipients, with the ability to select the program and eligible institution that best responds to their educational goals, and given the fact that branch campuses have been built and provide instruction for upper division students, EOG recipients should be able to use their grants to attend a branch campus, if that is their choice.</p>	Statutory change
Participating institution must have unused capacity.	The HECB recommends that the concept of unused institutional capacity be eliminated from the EOG program. At the time the program was designed, the state's public institutions were subject to enrollment lids. Removal of the enrollment lids and the ability of public institutions to manage their own decisions regarding over-enrollment make the concept of unused capacity irrelevant in today's higher education environment.	Statutory change
Institutions must enter into an agreement to participate with the HECB.	No change recommended.	N/A

CURRENT PROGRAM	HECB RECOMMENDATION	CHANGE REQUIRED
Award Amount		
Grant amount is \$2,500 per academic year.	The Board recommends that reference to a specific grant amount in the statute be replaced with language authorizing the Board to set grant amounts, taking into account such factors as the costs of attendance and the availability of other grant assistance.	Statutory change
Other		
The Educational Opportunity Grant program is defined in statute as a demonstration project.	The HECB recommends that the language referencing “demonstration project” be removed from the statute. The program has been existence for ten years and has demonstrated its ability to increase persistence rates among grant recipients. Therefore, the Board supports continuation of the EOG as an on-going program which complements the state’s other financial aid programs.	Statutory change

Chapter 28B.101 RCW

Educational Opportunity Grant Program

Placebound Students

Sections

28B.101.005	Finding - Intent
28B.101.010	Program Created
28B.101.020	Definition - Eligibility
28B.101.030	Administration of Program - Payments to Participants
28B.101.040	Use of Grants

RCW 28B.101.005 Finding - Intent

The legislature finds that many individuals in the state of Washington have attended college and received an associate of arts degree, or its equivalent, but are placebound.

The legislature intends to establish an educational opportunity grant program for placebound students who have completed an associate of arts degree, or its equivalent, in an effort to increase their participation in and completion of upper-division programs. [1990 c 288 § 2.]

RCW 28B.101.010 Program Created

The educational opportunity grant program is hereby created as a demonstration project to serve placebound financially needy students by assisting them to obtain a baccalaureate degree at public and private institutions of higher education which have the capacity to accommodate such students within existing educational programs and facilities. [1990 c 288 § 3.]

RCW 28B.101.020 Definition - Eligibility

- (1) For the purposes of this chapter, "placebound" means unable to relocate to complete a college program because of family or employment commitments, health concerns, monetary inability, or other similar factors.
- (2) To be eligible for an educational opportunity grant, applicants must be placebound residents of the state of Washington who are needy students as defined in RCW 28B.10.802(3) and who have completed the associate of arts degree or its equivalent. A placebound resident is one who may be influenced by the receipt of an enhanced student financial aid award to attend an institution that has existing unused capacity rather than attend a branch campus established pursuant to chapter 28B.45 RCW. An eligible placebound applicant is further defined as a person whose residence is located in an area served by a branch campus who, because of family or employment commitments, health concerns, monetary need, or other similar factors, would be unable to complete an upper-division course of study but for receipt of an educational opportunity grant. [1990 c 288 § 4.]

RCW 28B.101.030 Administration of Program - Payments to Participants

The higher education coordinating board shall develop and administer the educational opportunity grant program. The board shall adopt necessary rules and guidelines and develop criteria and procedures to select eligible participants in the program. Payment shall be made directly to the eligible participant periodically upon verification of enrollment and satisfactory progress towards degree completion. [1990 c 288 § 5.]

RCW 28B.101.040 Use of Grants

Grants may be used by eligible participants to attend any public or private college or university in the state of Washington that is accredited by an accrediting association recognized by rule of the higher education coordinating board and that has an existing unused capacity. Grants shall not be used to attend any branch campus or educational program established under chapter 28B.45 RCW. The participant shall not be eligible for a grant if it will be used for any programs that include religious worship, exercise, or instruction or to pursue a degree in theology. Each participating student may receive up to two thousand five hundred dollars per academic year, not to exceed the student's demonstrated financial need for the course of study. Resident students as defined in RCW 28B.15.012(2)(e) are not eligible for grants under this chapter. [1993 sp.s. c 18 § 35; 1993 c 385 § 2; 1990 c 288 § 6.]

NOTES:

Reviser's note: This section was amended by 1993 c 385 § 2 and by 1993 sp.s. c 18 § 35, each without reference to the other. Both amendments are incorporated in the publication of this section pursuant to RCW 1.12.025(2). For rule of construction, see RCW 1.12.025(1).

Effective date--1993 sp.s. c 18: See note following RCW 28B.10.265.

**EDUCATIONAL OPPORTUNITY GRANT:
SUMMARY OF YEAR-END DATA***

	1990-91		1991-92		1992-93		1993-94		1994-95	
Public	Awards #	Expend. \$	Awards #	Expend. \$	Awards #	Expend. \$	Awards #	Expend. \$	Awards #	Expend. \$
UW			6	15,000	15	35,384	13	30,834	8	20,835
WSU			2	2,500	13	30,870	11	26,250		
CWU	4	9,167	21	46,840	27	58,255	15	35,834	10	24,167
EWU	20	43,752	42	92,659	48	113,510	26	61,535	28	69,170
TESC	7	13,966	15	28,645	8	17,793	1	2,500		
WWU	1	2,500	1	2,500	3	7,500	8	18,334	6	15,000
Total Public	32	69,385	87	188,144	114	263,312	74	175,287	52	129,172
Private										
Bastyr	2	3,334	5	12,500	7	15,522	2	5,000	1	2,500
Cornish										
Gonzaga	16	38,750	23	52,500	32	77,500	29	66,732	20	48,334
Heritage	11	26,250	12	28,750	29	67,500	17	40,000	9	28,750
NW College	1	2,500	1	2,500			1	2,500		
PLU	65	133,750	100	228,750	82	179,538	41	96,250	42	108,750
St Martins	7	12,500	12	20,000	5	12,500	1	2,500	2	5,000
SPU	15	38,334	32	65,598	33	75,638	19	44,168	8	18,336
SU	15	29,903	68	144,170	87	195,766	42	98,336	21	50,836
UPS	30	70,000	48	115,000	36	83,750	23	53,750	7	20,000
Walla Walla	5	10,834	6	10,000	2	5,000	1	2,500		
Whitman	1	2,500	5	12,500	9	22,500	7	17,500	2	5,000
Whitworth	9	21,250	17	42,500	13	32,500	7	17,500	3	8,750
City Univ.					1	1,667				
Total Private	177	389,905	329	734,768	336	769,381	190	446,736	115	296,256

Combined Total	209	\$459,290	416	\$922,912	450	\$1,032,693	264	\$622,023	167	\$425,428
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* Expenditures include federal SSIG supplement and supplemental summer awards.

**EDUCATIONAL OPPORTUNITY GRANT:
SUMMARY OF YEAR-END DATA***

	1995-96		1996-97		1997-98		1998-99		1999-00	
Public	Awards #	Expend. \$	Awards #	Expend. \$	Awards #	Expend. \$	Awards #	Expend. \$	Awards #	Expend. \$
UW	10	23,334	23	50,000	44	115,007	81	201,681	87	213,996
WSU	4	8,750	24	70,000	77	207,008	87	234,151	117	308,319
CWU	12	27,502	67	159,705	150	423,560	203	463,054	171	454,395
EWU	36	87,501	61	151,249	109	275,328	160	402,505	165	434,350
TESC	2	3,230	4	10,834	12	34,170	48	120,844	53	114,810
WWU	4	9,167	3	10,000	8	19,437	23	68,342	33	89,163
Total Public	68	159,484	182	451,788	400	1,074,510	554	1,490,577	626	1,615,033
Private										
Bastyr	1	2,500	4	10,000	15	42,505	19	50,838	18	50,831
Cornish					1	2,500	1	2,500	1	2,500
Gonzaga	26	63,750	38	93,750	48	130,825	49	141,250	52	135,000
Heritage	11	22,500	22	56,666	44	118,750	37	107,892	23	71,250
NW College										
PLU	57	136,250	55	121,250	88	225,414	99	262,284	99	253,750
St Martins			10	23,750	47	123,750	59	163,750	44	113,635
SPU	21	49,166	35	85,834	36	83,780	34	86,669	38	95,663
SU	23	53,334	39	94,166	89	226,675	94	221,598	52	128,332
UPS	8	17,500	23	50,000	32	82,500	29	70,496	22	53,750
Walla Walla										
Whitman	2	3,750	1	2,500	3	6,250	3	6,250	1	1,250
Whitworth	3	7,500	9	20,000	26	76,250	23	58,750	9	22,500
City Univ.										
Total Private	152	356,250	236	557,916	429	1,119,199	452	1,172,277	361	928,461

Combined Total	220	\$515,734	418	\$1,009,704	829	\$2,193,709	1006	\$2,662,854	987	\$2,543,494
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* Expenditures include federal SSIG supplement and supplemental summer awards.

PERFORMANCE ACCOUNTABILITY: 1999-2000 Academic Year Review and Recommendations for 2001-03

October 2000

OVERVIEW

Accountability in higher education has been a priority for the Higher Education Coordinating Board from its inception in the 1980s. The Board's first Master Plan for Higher Education, in 1988, called for "system-wide performance evaluation to monitor our investment in higher education."

Current accountability efforts date to 1997, when the HECB was directed by the Legislature and Governor to implement a budget-based accountability system for the public four-year college and universities. The accountability initiative has been included in the biennial budgets for 1997-99 and 1999-2001. During this time, the HECB has been directed to provide the Legislature and Governor with progress reports and recommendations for the future. This report includes an overview of institutional performance through the 1999-2000 academic year and recommendations for the 2001-03 biennium, which begins July 1, 2001.

Recommendations for 2001-03 biennium

- The HECB believes the state has a strong and legitimate interest in assessing the efficiency of the state's investment in higher education and should continue to monitor **graduation and retention rates, and the graduation efficiency index** for all baccalaureate institutions.
- The HECB recommends the state **continue the current practice of monitoring, but not attaching budget penalties**, to measures of institutional performance.
- The HECB supports the continued use of **institution-specific measures** to provide a student-centered focus on specific challenges and improvements at each campus.
- The HECB wishes to support both **student learning assessment initiatives** and **institution-specific strategies** by recommending the Legislature and Governor designate these efforts as priorities for funding through the state Fund for Innovation.
- The HECB recommends the re-evaluation of the **statistical performance goals** established in 1997. Comparisons of institutional performance against that of comparable universities may be more informative and useful to policy-makers.

During 1999-2000, the HECB joined with the Council of Presidents and the State Board for Community and Technical Colleges to co-sponsor two accountability forums that included participation from several members of the Legislature. In addition, HECB staff discussed accountability issues with institutional representatives during a panel presentation at the state's most recent higher education assessment conference during spring 2000, and in a subsequent meeting during the summer. All of those activities, supplemented by ongoing, informal

conversations with the institutional accountability representatives, have helped to inform this report and recommendations.

BACKGROUND: 1997-1999 BIENNIUM

In its 1997-99 biennial budget (ESSB 6108), the Washington Legislature directed the HECB to implement an accountability system in consultation with Washington's public four-year universities and college. The Legislature tied resources to completion of institutional plans early in the first fiscal year of the biennium, and, during the second year, to actual performance on five measures outlined in the budget legislation. The Legislature directed the HECB to evaluate each institution's achievement of performance targets for the 1997-98 academic year and to notify the Office of Financial Management (OFM) by November 15, 1998, what portion of the institutions' reserve funds to release.

ESSB 6108 also directed the Board by January 1999 to recommend additions, deletions, or revisions to the performance and accountability measures to OFM and appropriate legislative committees in preparation for development of the 1999-2001 state budget (*ESSB 6108, Laws of 1998, Chapter 454, Sections 601 - 610*).

Performance measures. To begin this initiative, the HECB in 1997 adopted guidelines for the institutions' accountability plans and, in September of that year, reviewed and approved the plans. Those plans described strategies the institutions would pursue to progress toward goals on the five performance measures defined in the Legislature's budget proviso. The five measures were:

1. ***Undergraduate Graduation Efficiency Index***, a measure of how efficiently students complete their degrees, by taking into consideration the total number of credits earned, dropped, repeated and transferred, compared with the number required for graduation.
2. ***Undergraduate Student Retention***, the proportion of undergraduate students who continue to be enrolled from one year to the next.
3. ***Five-year Graduation Rates***, the percentage of students who begin as freshmen who graduate within five years.

Two additional measures—which differed from one institution to the next—were also stipulated:

4. ***Faculty Productivity***, a mixture of measures related to the outcomes of faculty work, which are generally different for each institution.
5. ***Unique Accountability Measure for Each Institution***, reflective of the mission of each four-year public institution.

The Legislature stipulated goals for the three common measures of undergraduate student retention, graduation efficiency, and five-year graduation rate.

Measures

Undergraduate Student Retention	Goals
Research Universities	95%
Comprehensive Universities and Colleges	90%

Graduation Efficiency

Freshman (“native”)	.95
Transfer students	.90

Graduation Rates

Research Universities	65%
Comprehensive Universities and Colleges	55%

Funds in Reserve. The Legislature placed a portion of each institution’s 1997-99 appropriation in reserve, contingent upon HECB approval of the accountability plans (for 1997-98), and the HECB’s assessment of institutional performance toward accountability targets (for 1998-99). Ten point six (\$10.6) million in base funding was initially withheld through the performance funding process. After approving the institutions’ first-year plans in September 1997, the HECB recommended to OFM the release of all funds held in reserve for the first year of the biennium.

As part of the initial accountability process, the HECB created a timetable for the institutions to meet the legislative goals. The timetable prescribed targets that were based on annual percentage increases in performance that were the same for all institutions. The HECB submitted a report to the Legislature in December 1998 that documented each institution’s performance, and recommended changes to the accountability initiative.

Ultimately, \$9.2 million of the \$10.6 million in funds withheld at the start of the biennium were released based on the institutions’ development of performance plans and their progress toward the statewide goals.

BACKGROUND: 1999-2001 BIENNIUM

The Legislature modified the accountability initiative for the 1999-2001 biennium, incorporating several of the HECB’s recommendations. Most importantly, the 1999-2001 budget proviso withheld no funds from the institutions’ base budgets. For the 1999-2001 biennium, the following elements from the original accountability initiative remained the same:

- **Four performance measures:** undergraduate student retention, graduation efficiency, graduation rate, and faculty productivity.

- **Statistical goals for all performance measures** *except* faculty productivity.
- **HECB review and approval of accountability plans** that describe how institutions would make “measurable and specific” improvements toward the performance goals.
- **Annual HECB review of each institution’s progress** toward the performance goals.

The Legislature directed the baccalaureate institutions to prepare new accountability plans during the summer of 1999 based on guidelines developed collaboratively with the institutions and approved by the HECB.

There was a significant change in 1999-2001 in the establishment of annual performance targets. While in 1997-99, the HECB prescribed performance targets based on annual percentage increases that were the same for all institutions, the 1999-2001 guidelines gave responsibility to the institutions for setting meaningful targets that would lead to “measurable and specific” improvement. *The Board placed the challenge of identifying meaningful, substantive targets in the hands of the institutions.*

The HECB also asked the institutions to recalculate the baseline against which future performance would be compared. The new baseline was to be an average of fiscal years 1996, 1997, and 1998. This shift from a single baseline year to an average responded to institutional concerns that no single year could be representative of typical performance.

Later in the biennium, during the 2000 legislative session, House Bill 2375 was enacted, designating information and technological literacy as a student learning outcome. The bill established a timeline for implementation and progress reports, and a regular reporting cycle.

PERFORMANCE UPDATE: 1999-2000 ACADEMIC YEAR REPORT

This section will be developed when the institutions submit their performance data for the 1999-2000 academic year. Some of the data, particularly those that measure student retention, are not available until after the 10th day of the Fall 2000 term. These reports will be included in the document forwarded to the Legislature in November.

This document also reports on a second aspect of accountability: the progress of the public universities in assessing student learning outcomes. Three aspects of student learning are the focus of statewide assessment projects: writing, quantitative reasoning, and information and technology literacy. In the appendix of this document, we include a progress report from the leader of each project.

THE STATUS OF ACCOUNTABILITY – WHAT HAVE WE LEARNED?

Questions about the results and implications of the accountability effort that began in 1997 are addressed below from the perspectives of policy-makers, educators and students.

Overall, the HECB believes that while there is an important statewide interest in the efficiency of the educational system, there is even greater value in an accountability system that contributes useful information to higher education institutions as well as policy-makers – and which helps promote policies that improve student learning outcomes – by focusing on measures that reflect challenges and improvements at the individual campus level.

Policymakers

Have the current statewide goals and measures been useful for policy-makers? Do they reveal important information to the people who commissioned the work, that is, the Legislature and Governor?

The HECB believes the statewide performance measures reflect a legitimate state interest in the level to which the state's higher education investments are producing desirable outcomes and efficient performance by students and institutions. However, while measures of graduation, student retention, and faculty productivity contribute valuable information to discussions of higher education, they are not, by themselves, especially useful for forming judgments and making decisions about higher education policy. The HECB believes it is important for the state to understand the limitations of these measures of effectiveness and efficiency:

- **Validity.** It is unclear whether the statewide measures actually illuminate the underlying characteristics that the state is trying to assess. For example, faculty productivity is typically measured by counting the number of student FTEs associated with each full-time faculty member. However, this approach does not reflect important aspects of what faculty members do as part of their job to “instruct students,” such as mentoring, advising and career planning.
- **Competing values.** Higher education institutions are expected to achieve many different things, not all of which are compatible. For example, universities are held accountable for ensuring that students progress efficiently to complete their degrees, and with ensuring that most complete their studies within an appropriate amount of time. Highly affluent or well-prepared students are more likely to do both of these things than students who work, who have dependents, or who bring some weaknesses in their academic preparation to college. The state's universities could boost graduation efficiency and shorten time to degree by admitting only highly affluent or well-prepared students. However, citizens and policymakers also value access, opportunity, and diversity, and we expect institutions to admit students for reasons other than exceptional preparation or high test scores. The statewide performance measures do not enable us to measure or balance these competing values.

- ***The availability of other information.*** Policy-makers possess many other sources and types of information that they use to evaluate the performance of higher education institutions. Legislators and the Governor receive a constant stream of information about the public universities – from constituents, the state’s businesses and professional associations, parents and students, and the universities themselves. Telephone calls or letters from constituents, often about difficulties in gaining entry into courses or major programs, may be at least as important as the impersonal statistics yielded by an efficiency index. Praise from the business community about the quality of graduates may be a far more trusted way to learn about student achievement than by studying impersonal statewide measures.

Universities

Has performance measurement been helpful to those who administer or teach in state universities? Has it fostered improvement in management or hastened improvements in student learning and achievement? There is conflicting evidence. *Statewide measures* – i.e., five-year graduation rates, overall student retention, etc. – provide little information on which to base management decisions or academic program changes. However, measures that attempt to respond to unique challenges at each institution, *institution-specific* measures, have stimulated new, positive thinking about strategies for improvement.

There are several reasons why statewide performance measures offer modest guidance to decisions at the campus level:

- ***Lack of precision.*** The broad statewide performance measures are not focused tightly enough to be very helpful in institutional management. Consider, for example, a university’s overall rate of student retention as a performance measure. From the university’s perspective, there is not one single retention rate, but many retention rates. There are different retention rates for different campuses or centers, for different colleges, for different programs and majors, and different kinds of students. Policies that aim to improve retention are not undertaken at a university level, but focus on the particular colleges, programs, or sites.
- ***Institutional control.*** The statewide performance measures appear to be substantially outside the control of universities. The performance of a university on these measures is influenced less by institutional policies and practices than by the underlying characteristics of the student population it serves. The most important factor in efficiency, retention, and completion is the characteristics of the students who are being educated. Affluent students who are exceptionally well prepared for university studies typically progress swiftly and efficiently toward the completion their degrees. Students from low-income families or students who lack some elements of academic preparation – including older students returning to college – generally do not progress as swiftly or efficiently.
- ***Trends are not informative.*** Because these measures are highly aggregated (i.e., overall student retention) and substantially outside the control of universities, they are extremely stable and apparently unresponsive to institutional policies and choices. Some of the state’s

public universities have collected 15 years of data on freshman retention rates, five-year graduation rates, and the graduation efficiency index. Common to each measure is a pattern of small and apparently random fluctuation around a highly stable, long-run score.

- ***Values in conflict.*** If administrators and faculty based their decisions on projected performance on statewide performance measures, they might be inclined to pursue policies at odds with important student-centered objectives. Ironically, institutions whose efficiency measures are lower than expected – or which actually decline – may be doing a better job of serving students and meeting the state’s need for educated citizens than if they restricted admission to only those students whose performance could ensure that the institutions’ statistics improved.

Students

Has performance measurement for accountability led to improvements in student learning and achievement? The original focus of the statewide performance measures was to ensure that the state’s investment of resources in its public universities was being efficiently used, *not* student learning. However, institution-specific measures of performance have opened the door for improvement in learning and student achievement. This development is discussed in more detail below.

The Value of Institution-specific Measures

Institution-specific measures, performance measures chosen by each institution to reflect their distinctive institutional mission, offer benefits to institutions and policymakers that are the opposite of statewide measures. Institution-specific measures may lack the continuity, comparability, or simplicity of statewide measures. However, they provide universities with a way of focusing on aspects of their performance than can be controlled (and, improved), and they permit universities to link performance measurement to key institutional priorities.

Central Washington University, for example, has launched a curricular initiative to involve their students in one-on-one faculty research and coop experiences. Hence, they built institution-specific accountability measures that focus on this initiative. They have chosen to report on “the percentage of students participating in cooperative education internships” and the “percentage of faculty mentoring students.”

At The Evergreen State College (TESC) the general education curriculum has been a primary focus of attention in recent years. Concerned especially with their students’ quantitative reasoning and computer literacy skills, TESC proposed for 1999-2001 a new performance measure: increasing quantitative skills and computer use among freshman students.

Common to all of these measures are two important features. First, they provide university administrators with a valuable source of evidence about their success in achieving a central academic initiative.

Moreover, these are measures over which the university can exercise a significant measure of control through the policies it adopts. Seen from the perspective of university administrators, faculty, and students, institution-specific performance measurement has succeeded both at focusing campus attention and at generating useful information.

THE FUTURE OF ACCOUNTABILITY: WHERE ARE WE HEADED?

The HECB believes that continuity in the collection of performance data in higher education will pay valuable long-term dividends to the state – particularly at the level of statewide policy development. However, a number of efforts are under way that offer some promise for improvement of the accountability system in the coming years.

For example, coordinated, statewide efforts to assess student learning outcomes have been initiated through partnerships among the baccalaureate institutions. These efforts focus on devising ways to assess our students' skills of information and technology literacy, quantitative reasoning, and writing. In addition, the HECB is supporting efforts to assess students' critical thinking skills through a grant to Washington State University from the Fund for Innovation and Quality in Higher Education.

The HECB finds considerable value in these efforts and supports their continuation. We recommend that the Legislature place a priority in the state Fund for Innovation for projects that would advance these four initiatives. This approach would provide a clear incentive for institutions to step up their efforts along these lines – and would provide clear priorities for the HECB to use in evaluating the proposals for competitive Fund for Innovation Grants.

Such an approach would help the state answer the question of whether these assessment initiatives are likely to improve the state's accountability system. The HECB believes it is very likely that these efforts will enable colleges and universities to help students. While the Board is hopeful about the connection between assessment and accountability, it is unclear whether these targeted assessment initiatives can be translated and enlarged into a statewide system of performance measurement.

A number of issues will come into play as the state examines the possible linkage between the assessment of student learning outcomes and the need for a statewide performance accountability system that indicates the effectiveness and efficiency of the state's investments.

Policy-makers interested in accountability typically seek information about student learning that is concise, that represents or includes all students, and that can be replicated over time. They want to know whether test scores are up or down compared to last year; whether students are performing better or graduating more quickly at some schools than others; or whether some kinds of students are faring better than others.

Teachers and academic administrators have a very different focus: they want to know whether a particular assignment, teaching strategy, course, or major is successful at promoting learning. Seen from their perspective, standardized assessment instruments are unhelpful: they provide no

information about what students have learned in their own classroom, department, or program. Assessment for the purpose of improving instruction may not generate information that is continuous, representative (or, comprehensive), or clear and concise.

In short, there is a gap between assessment for the improvement of classroom instruction and assessment for accountability. It will take a sustained effort to bridge this gap and produce an assessment system that meets the needs of both policymakers and administrators and faculty.

RECOMMENDATIONS FOR 2001-03

We recommend that the 2001-2003 Legislature continue much of the accountability policy of the preceding two biennia, making some refinements and improvements to the existing policy to reflect the discussion from preceding sections of this report. The HECB recommends:

1. **Continuation of the current statewide performance measures**, such as the graduation efficiency index, five-year graduation rate and overall student retention from year to year. The Legislature and Governor have a legitimate and enduring interest in ensuring that state appropriations are efficiently used. The current statewide performance measures provide them with evidence of this, and therefore they should be continued. These measures also reflect the longstanding priority of the HECB that performance accountability remains an important state objective that addresses the reasonable expectations of both taxpayers and our state's leaders.
2. Because statewide measures of institutional performance are not clearly linked to the efforts and choices of universities, the HECB continues to believe that the state should not attach budget penalties to measures that are not directly within the control of the institutions. Therefore, the HECB recommends the state **continue the current practice of monitoring, but not attaching budget penalties**, to measures of institutional performance.
3. The HECB strongly recommends the **continuation and refinement of institution-specific goals**. It is essential that each institution address its own unique challenges and problems with an eye toward better outcomes for students, in light of its distinctive mission. The HECB pledges to continue to work collaboratively with the institutions to improve the usefulness of each institution's chosen indicators to state policymakers.
4. The HECB recommends the Legislature and Governor **establish a priority for 2001-2003 in the Fund for Innovation** for projects that either (a) improve the quality and usefulness of institution-specific measures; or (b) support the statewide student learning initiatives now under way. The HECB believes this kind of incentive is very consistent with the goals of the 2000 Master Plan for Higher Education, which promotes both a student-centered approach and greater institutional flexibility to meet the challenges ahead in education. These goals have been endorsed by the Legislature, and this recommendation offers a cost-effective means of strengthening this state priority. Because the Fund for Innovation statute must be amended each biennium to reflect the state's evolving priorities, it offers an effective vehicle for the support of these institutional efforts.

5. The HECB recommends the Legislature **re-evaluate the performance goals that it originally established for statewide performance measures**. Four years of experience and many years of national data point to one conclusion: no public university in the nation is likely to achieve the performance goals established by SB 6108.

Harvard University, for example, has a freshman retention rate that meets the 95% (undergraduate) retention rate stipulated in ESSB 6108. However, public universities, who educate a far broader range of learners, have rates of retention and graduation that are far lower. In neighboring Oregon, for example, the average freshman retention rate at its seven public universities is 76.5%, and about one-half of first-time freshmen graduate within six years. Both rates are far below the goals set for Washington's universities.

It is important to evaluate continuously the performance of the state's colleges and universities, and to evaluate them against meaningful standards of achievement. Policymakers may find it more useful and informative to ask, "Are you doing better than before?" or "Are you doing as well as peers around the nation?" rather than "Are you at 90 percent or 95 percent?"

In addition, the HECB's 2000 Master Plan contains goals for specific actions – the expansion of e-learning opportunities for students and the more efficient use of the state's capital resources – which may offer the opportunity for the state to develop different, but highly useful, goals for institutional performance. The HECB remains committed to work with institutional leaders, legislators and representatives of the Governor and the public to refine the accountability system in ways that reflect the needs and desires of the citizens of the state.

Appendices

Appendix One: Senior Writing Study Progress Report

Appendix Two: Information/Technological Literacy Progress Report

Appendix Three: Quantitative Reasoning Progress Report

Appendix One
The Washington State Senior Writing Study
Progress Report, August 25, 2000

Gerald M. Gillmore, University of Washington

Impetus

During the Spring of 1998, the Intercollegiate Academic Officers (ICAO) asked that a meeting be convened to determine how the institutions' responses to the accountability mandate could be expanded to include student learning outcomes. The public, four-year institutions' assessment coordinators and a few accountability committee members met in an all-day session to bring assessment considerations to bear on designing accountability measures that addressed student learning. There was substantial agreement that the common accountability measures of that time were efficiency-oriented and fell short of indexing our primary goal of truly educating students and all that this goal entails.

In preparation for that meeting, we investigated the assessment and accountability plans and activities of other states, and we also explored ideas that might come from the K-12 world and the wider world of educational research. Our investigation showed us that no other state has solved the problem of developing accountability measures relating to student learning outcomes, nor did we find any help elsewhere. No one seems to have a practical and valid measure of significant student learning outcomes that could be used in an accountability context.

Two ideas surfaced in this meeting. The first was using student self-reported outcomes. All institutions have survey data from current students and alumni. The second idea was to evaluate the best writing of seniors. The latter spawned the statewide activities discussed here.

The Plan

Assessing writing is very difficult. However, it has two immediate advantages. First, there is universal agreement that writing is an important skill. Second, writing perhaps offers us the best window into student reasoning ability. For accountability, the difficulty of separating thinking and writing skills can be an advantage because assessing student writing, while important in and of itself, can also help us think deeply about students' critical thinking abilities.

The Senior Writing Study assumes that one way in which programs can be judged by the best writing that students within these programs can do when they graduate. (This affirmation should not be confused with the writing of our best students, which is not consistent with our purposes.) By best writing we mean the following:

- writing that students are motivated to do well
- writing about a subject that students should know and care about
- writing done in response to a challenging and well-formulated assignment.

“Best” writing is done in the context of fields of study. There is considerable agreement that the characteristics of good writing differ from discipline to discipline and that the writing students do in their majors, particularly in capstone courses in their senior year, is what best characterizes our learning goals for students. Furthermore, writing at this level clearly differentiates college-level writing from high school-level writing. The accountability question we faced was, can the quality of an important component of an institution’s educational program be validly judged by reading a sample of senior-level papers? We attempted to address this question with careful pilot testing and have continued to refine the methodology from 1998 to the present.

The three annual studies we completed required two basic steps: collecting student papers and scoring these papers. For the former, we decided that the best way to proceed would be to identify courses in a limited but representative set of majors that required students to write “good” papers and take a random sample of the papers produced. For scoring the papers, we decided that we needed faculty from the corresponding disciplines, writing specialists, and *members of the community who were working in those fields in which papers were collected*. The latter were invited because they provide the important perspective of employers and of the writing that will be expected on the job. Readers evaluated papers blindly: names, faculty comments, grades, and the institution of origin were removed from all papers.

Summer 1988. We collected papers from spring quarter (semester) classes from the following disciplines

- Sociology
- Biology
- English
- Engineering/Technology
- Business

One instructor from each discipline in each institution was asked to provide a random sample of about ten student papers, along with the assignment. WSU was already out of session and, thus, was unable to provide any papers. Two – 2-day workshops were held in the summer at the University of Washington. The first did not include representatives from business and industry and was mainly used to develop scoring criteria. This development was done in the context of a sample of papers. One interesting result was that while all disciplines were satisfied with the same criteria, many elements were interpreted differently across disciplines. Even so, the set of scoring criteria was a major benefit of the study in and of itself. The second session of 1998 was spent training raters (ourselves), revising the rubrics a little, and scoring papers. In all, 83 papers were read and rated during these two days.

Summer 1999. The second study session was held in one 3-day summer session at Western Washington University. The same five disciplines were studied, but new papers were selected, mostly from Spring 1999 classes. In advance, the scoring rubric was modified slightly. Raters included faculty of each discipline, writing specialists, assessment specialists, a community college representative, and representatives of the community. In each disciplinary group, several papers were read and discussed and then each paper was read independently by two raters. A

third rater was used only when consensus could not be reached, which seldom happened. In the second pilot study, 169 papers were read and rated.

Summer 2000. The third study was held in one 3-day summer session at the University of Washington. The disciplines studied were as follows:

- Education
- Biology
- History
- Psychology
- Business

Two major improvements for this session were that each campus supplied one faculty reader for each discipline and fewer papers were collected from more classes. As before, writing and assessment specialists, community representatives, and a community college representative shared in the paper-reading process. The same basic process was followed as in previous sessions. During this three day session, 225 papers were evaluated.

Some Conclusions

There are three levels at which the potential value of this project can be considered. First there is *faculty development*. In this regard, the sessions were an unqualified success for those who attended, especially the first year. All found participation to be a remarkable experience, and there was much discussion on the margins about how the participant's teaching would change. Two participants of the first session illustrate this positive reaction.

Carmen Werder (Assoc. Director, University Writing Center Programs, Western Washington University): *This project has already proven itself in terms of faculty development. The conversations around those stacks of papers were some of the most valuable ones I have experienced anywhere. Everyone I talked to agreed. Any activity that gets faculty across disciplines and from many schools in the same room reading and discussing real student writing deserves support.*

Janet Ott (Professor of Biology, The Evergreen State College): *This has been the most useful four days that I have ever spent on education in general and on writing in particular.*

A second potential benefit is where assessment's interest is greatest: *feeding information back to the departments* about the writing of their students. It is important to remember that the purpose of this project is to evaluate writing programs and not individual students. One powerful message to be delivered to departments is that poor assignments can lead to poor writing. A sub-group of participants has formed a statewide committee to study the issue of assignments and how good practices can be expanded. Another pertinent result was that papers were rated lowest, on average, on the reasoning dimension, suggesting that students need more instruction and practice with reasoning in their disciplines. How specific results can be communicated to particular departments is still problematic due to the limit sample and the statewide nature of the study.

The third potential benefit lies in *accountability*. Perhaps, it can be said that our sense of accountability to the state is nowhere better demonstrated than by the very conduct of this

project. Yet, often accountability is indexed by single numerical values whose function is to represent an entire institution's performance on a given dimension. The thought of reducing all of the rich information that derives from the Senior Writing Project down to a single number or a few numbers by which the quality of education in writing is judged is understandably worrisome.

The Future

We have done three years of research, and each year has shown improvement in the process. We plan to continue to perform annual reviews of student papers and incrementally improve the quality of the process and, in turn, the quality of the product. Even in the best of cases, there will be many places in which random and systematic errors will be introduced. However, we can improve the validity of the results by applying lessons learned each year to the subsequent year. By continuing the study, especially with reviewers representing the professional community, we will demonstrate our commitment to excellence and, more particularly, demonstrate that we are accountable with regard to students' writing ability.

In planning for the Summer 2000 session, we will have the following goals:

Papers. For each of five disciplines, we will aim for two papers, randomly chosen from each of five classes from each campus. This goal if satisfied will net 300 papers from 150 classes to be rated. We will make strong attempts to get assignments with each paper, and we will try to further improve our choice of courses such that all use quality assignments that will lead students to perform up to their ability.

Participants. To read the papers, we will continue to solicit one faculty member from each discipline at each campus, and one writing specialist at each campus, and one community professional from each discipline. Assessment specialists and the community colleges will also be represented.

Disciplines. The nature of this project requires sampling of disciplines and of students within disciplines. A statewide study of all seniors in all disciplines would be prohibitively expensive and time consuming. However, since our goal is programmatic evaluation, as opposed to the evaluation of individual students, careful random sampling can be acceptable. We expect to again read papers from five disciplines. We will continue to rotate through disciplines, with some overlap from year to year. We will work on assuring that similar standards are used across disciplines.

Appendix Two
Information/Technological Literacy Progress Report
August 25, 2000
Steve Hunter (TESC)

A Brief History

Assessment Colloquy

In late October 1999, 60 faculty and staff attended a 2-1/2 day discussion of Assessing Student Learning in Information/Technological Literacy. Campus teams included librarians, instructional technologists, faculty knowledgeable and interested in this topic representing various disciplines, and assessment experts.

Participants endorsed, with some revisions, the American College Research Libraries Information Literacy Standards and began the harder work of moving toward measurable learning outcomes. Institutional teams committed to a statewide project to further work on this topic patterned after the Statewide Writing Project including:

- (1) an inter-institutional planning group – probably three people from each campus including a librarian/instructional technologist, a faculty member and an assessment person;
- (2) collection of examples of classroom assignments intended to incorporate “information literacy”;
- (3) at least ideally, collection of a second piece of writing by the student describing the processes used to collect, evaluate and employ information/technology in the assignment;
- (4) An inter-institutional summer workshop patterned after the Writing Workshops of the past two summers where faculty, assessment types and community members evaluate examples of student work and develop a rating rubric for “information/technological literacy”.

Institutional Commitments to Student Learning Outcomes

In November 1999, resulting from a series of discussions about the future of accountability measures in the state of Washington, Provosts from the baccalaureate institutions, HECB staff, members of the legislature and legislative staff agreed to add measures of “student learning outcomes” to the accountability efforts. Four areas were endorsed: Writing, Information/Technological Literacy, Quantitative Reasoning, and Critical Thinking.

House Bill 2375

During the 2000 legislative session, House Bill 2375 was enacted naming Information/Technological Literacy as a Student Learning Outcome. The bill sets forth a timeline including summer workshops in 2000, 2001, 2002, a Full Scale pilot in 2002-03 academic year, and a Full Scale Study in 2003-04. Progress reports are due to legislature each year beginning in 2001. A regular reporting cycle is scheduled to begin with the January 2005 legislative session.

Inter-institutional Planning Efforts

During the 1999-2000 academic year an inter-institutional planning group including representatives from the HECB and Council of Presidents worked to:

- identify criteria for selecting examples of student work on the topic of Information/Technological Literacy;
- design a "reflective essay" intended to illuminate the processes students employed to produce relevant work on the topic;
- collect examples of student work and reflective essays from each campus and secure participants for the Summer 2000 Information/Technological Literacy workshop; and
- design the first summer workshop.

Summer 2000 Information/Technological Literacy Workshop

On July 19-21 30 faculty and staff from The Evergreen State College, Western Washington University, Central Washington University, Eastern Washington University, The University of Washington, Washington State University, a representative from the Higher Education Coordinating Board and the Council of Presidents met in Ellensburg for the first Information/Technological Literacy workshop. The objectives for this meeting included:

- gaining a collective sense of what information literacy looks like on the various campuses;
- beginning to develop criteria colleges could use to evaluate student work; and
- confirming whether or not some or all of the ACRL standards could be used as part of the evaluation criteria.

Defining Information/Technological Literacy

A conversation about the nature of information literacy and its relationship to technology indicated that faculty across campuses agreed that information literacy is both a process and a state, i.e., if one is literate, one can DO something. What this "something" is involves the ability to engage texts in order to find ideas of others against which one's own ideas can be tested. Being literate means to be able to test one's own knowledge continually, to challenge one's own knowledge base. The "texts" used in this endeavor could be written text, music, various art forms, images, dance, etc. To demonstrate that they were information literate, students would need to be able to:

- identify a problem or initiatory experience worth exploring,
- gather information and evaluate the feasibility of the question or experience,
- reformulate the question if necessary,
- gather data from a variety of sources,
- interpret the data accurately, and,
- present the results clearly, honestly, ethically, and appropriately with a particular audience in mind.

The Role of Technology

Participants expressed differing opinions about whether all students needed to be skilled in the use of technology. Opinions ranged from "no," to "yes, maybe," to "yes, absolutely." Some group members raised the question of whether a person actually has to be able to DO something with technology in order to be information literate. Most participants agreed that everyone needs to be able to:

- examine the ethical and social implications of using technology,
- access information and thus be critical users of technology,
- select the most appropriate technology to support communication.

Most participants seemed to feel that the types of technology students need to be familiar with are content area specific. That is, science majors might need to learn how to use particular programs for data analysis while dance majors might need other types of technological knowledge. All participants agreed that having technical skill in the use of computer technology is insufficient if knowledge of the subject matter is absent. There was also widespread agreement that "technology" extends beyond the ability to use computers and computer programs.

Assessing Information/Technological Literacy

The second and third objectives were explored through reading and evaluating existing student products, exploring the construction and use of rubrics, and re-examining the ACRL standards. Participants concluded that:

- a single product is insufficient evidence of student achievement; a reflective essay needs to accompany products,
- accurate assessment requires an integrative reflective process (not one imposed at the end), and/or a portfolio of multiple products,
- the assessment should take place in a meaningful context, not as an isolated test,
- the ACRL standards capture much of information literacy and should be used as part of the assessment instrument we develop,
- rubrics should be developed for each ACRL standard and used to assess student achievement,
- standards and rubrics should be developed to capture the technological aspect of information literacy.

Participants were interested in developing an assessment process that would capture the following:

- In the process of exploring a question, what did the student find, choose, and reject?
- How was a well-formed question developed?
- To what extent, and how, was the process recursive?
- How did the analysis occur? What options were and were not explored? Was the analysis accurate?
- To what extent did the student engage, tolerate, and account for other perspectives and engage with diverse voices?
- Could the individual student sit at a terminal, do a search, evaluate the information, and print out information to demonstrate ability?
- Did the student have the ability to select the right tool for the job? After the best tool was selected, could the student make it work? Could the student evaluate what she/he did?

Some unanswered questions included:

- Is it reasonable to look for information and/or technology literacy across all curricula or should it be restricted to suitable subject areas?
- When should information/technology literacy be assessed? After the first two years? In the graduation year?
- What existing evaluation tools could be examined?
- What kinds of assignments could be used to assess information literacy? How can a deliberate development of appropriate assignments be developed?

Conclusions and Commitments for 2000-01

1. We will employ ACRL standards in assessment with the following caveats:
 - the Standards are not comprehensive of technology so supplemental categories addressing technology are needed;
 - the Standards may not be sufficient for the task of assessment by themselves but serve as a useful starting point; and
 - the Standards may need some refinement for our purposes;
2. This work is worth pursuing on and across campuses.
3. We will develop rubrics for selected ACRL Performance Indicators.
4. Representatives from each campus will secure more and better products
 - Representatives will try to increase the number of faculty involved
 - We will develop the assessment using reflective essays and/or portfolios.
 - We will use student work as the basis for assessment, supplemented with additional evidence (e.g. reflective pieces, portfolios).
 - We will develop draft guidelines for assignments.

- We will maintain subgroups to continue the work on rubric construction, assignment guidelines, and the reflective essay.

Information/Technological Literacy Timeline per House Bill 2375

AY 99-00	Sep-99	Jan-00 Bill 2375 introduced	Sum-00 Workshop
AY 00-01	Sep-00	Jan-01 Progress. Rept to Leg.	Sum-01 Workshop
AY 01-02	Sep-01	Jan-02 Feasibility Rpt to Leg.	Sum-02 Final Refinement Workshop
AY 02-03	Sep-02	Jan-03 Full Scale Pilot	Sum-03
AY 03-04	Sep-03	Jan-04 Report on Full Pilot Full Scale Study	Sum-04
AY 04-05	Sep-03	Jan-05 Reporting Cycle Begins	Sum-05 Annual(Biennial?) Studies Begin

DISPLACED HOMEMAKER PROGRAM Proposed Rule Changes

October 2000

INTRODUCTION

Since the inception of the DHP in 1979, program rules have required HECB staff to issue contracts each biennium through a Request for Proposal (RFP) process. Historically, the majority of contractors have been funded for more than 10 years. However, they have been required to go through the RFP process each biennium to compete for DHP funding. This practice is extremely costly, time-consuming, and inefficient for both the HECB staff and contractors.

HIGHLIGHTS OF PROPOSED RULE CHANGES

The proposed rule changes include:

- Technical corrections.
- Creation of initial and renewal contracts.
- Provision for DHP contractors to renew their biennial contracts for one subsequent biennium, if they are in full contract compliance and meet specified performance indicators.
- Replacing letters of intent and a lengthy RFP process for funding with an efficient competitive application process.

BOARD ACTION

This information is presented for information only; no Board action is required at this time. Staff expects to present final rules to the Board for approval at the December 6, 2000 Board meeting.

CURRENT DHP RULES, PROPOSED CHANGES, AND EXPLANATIONS

CURRENT RULES (CHAPTER 250-44 WAC) AND PROPOSED CHANGES	EXPLANATION OF RULE CHANGES
<p>WAC 250-44-010 Purpose</p> <p>The Displaced Homemaker Act, chapter 28B.04 RCW establishes guidelines under which the higher education coordinating board shall contract to establish both multipurpose service centers and programs of service to provide necessary training opportunities, counseling and services for displaced homemakers so that they may enjoy the independence and economic security vital to a productive life. This chapter is promulgated by the board to establish necessary regulations for the operation of the displaced homemaker program.</p>	No change.
<p>WAC 250-44-020 Program administration.</p> <p>Responsibility for all aspects of administration of the displaced homemaker program, subject to these regulations, shall be vested in the executive director of the board. ((The executive director shall provide progress reports to the board and to the governor and the appropriate committees of the legislature.))</p>	Deletes requirement to provide progress reports to the Board, Governor, and Legislature; not required in statute.
<p>WAC 250-44-040 Definitions</p> <p>Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.</p> <p>(1) "Act" means the Displaced Homemaker Act, chapter 28B.04 RCW, as amended.</p> <p>(2) "Advisory committee" means the advisory committee established pursuant to WAC 250-44-030.</p> <p>(3) "Appropriate job opportunities" means opportunities to be gainfully employed, as defined in subsection (9) of this section, in jobs which build upon all relevant skills and potential skills of the individual displaced homemaker, including opportunities in jobs which in the past may not generally have been considered traditional for women.</p> <p>(4) "Center" means a multipurpose service center as defined in subsection (10) of this section.</p> <p>(5) "Board" means the higher education coordinating board.</p> <p>(6) "Displaced homemaker" means an individual who:</p> <p>(a) Has worked in the home for ten or more years providing unsalaried household services for family members on a full-time basis; and</p> <p>(b) Is not gainfully employed;</p> <p>(c) Needs assistance in securing employment; and</p> <p>(d) Meets one of the following criteria;</p> <p>(i) Has been dependent on the income of another family member but is no longer</p>	<p>(See page 3)</p> <p>(See page 3)</p>

<p>supported by that income; or</p> <p>(ii) Has been dependent on federal assistance but is no longer eligible for that assistance; or</p> <p>(iii) Is supported as the parent of minor children by public assistance or spousal support, but whose youngest child is within two years of reaching majority.</p> <p>(7) "Executive director" means the executive director of the board.</p> <p>(8) "Executive officer" of the sponsoring organization means the chief executive or senior officer of the organization.</p> <p>(9) "Gainfully employed" means employed for salary or wages on a continuing basis and earning at least an amount equal to the standard of need established under RCW 74.04.770.</p> <p>(10) "Multipurpose service center" means a center contracted for under the act, which either provides directly, or provides information about and referral to, each type of program of service as defined in subsection (14) of this section.</p> <p>(11) "Objective" means a purpose of a program of service which can be quantified and for which objective measurements of performance can be established.</p> <p>(12) "Displaced homemaker program" means the program of contracts for multipurpose service centers and programs of service for displaced homemakers authorized by the act.</p> <p>(13) "Program" means a program of service as defined in subsection (14) of this section.</p> <p>(14) "Program of service" means one of the specific services listed in subdivisions (a) through (g) of this subsection, and meeting the criteria set forth in the subdivision.</p> <p>(a) Job counseling services, which shall:</p> <p>(i) Be specifically designed for displaced homemakers;</p> <p>(ii) Counsel displaced homemakers with respect to appropriate job opportunities (as defined in subsection (3) of this section); and</p> <p>(iii) Take into account and build upon the skills and experience of a homemaker and emphasize job readiness as well as skill development.</p> <p>(b) Job training and job placement services, which shall:</p> <p>(i) Emphasize short-term training programs and programs which expand upon homemaking skills and volunteer experience and which prepare the displaced homemaker to be gainfully employed as defined in subsection (9) of this section;</p> <p>(ii) Develop, through cooperation with state and local government agencies and private employers, model training and placement programs for jobs in the public and private sectors;</p> <p>(iii) Assist displaced homemakers in gaining admission to existing public and private job training programs and opportunities, including vocational education and apprenticeship training programs; and</p> <p>(iv) Assist in identifying community needs and creating new jobs in the public and private sectors.</p> <p>(c) Health counseling services, including referral to existing health programs, which shall:</p> <p>(i) Include general principles of preventative health care;</p> <p>(ii) Include health care consumer education, particularly in the selection of physicians and health care services, including, but not limited to, health maintenance organizations and health insurance;</p> <p>(iii) Include family health care and nutrition;</p> <p>(iv) Include alcohol and drug abuse; and</p>	
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Creates definitions for subsistence, performance indicators, and initial and renewal contracts.

<p>WAC 250-44-050 Utilization of available contract funds</p> <p>(1) ((Each biennium)) The executive director shall issue contract application guidelines which shall establish criteria for specific utilization of available contract funds. The guidelines shall set forth:</p> <p>(a) The maximum contract amount ((for a multipurpose service center to be provided depending on available funds under the act during the upcoming biennium)) available for funding of a multipurpose service center.</p> <p>(b) The maximum contract amount ((for a contract for a program or programs of service depending on available funds under the act during the upcoming biennium)) available for funding of a program or programs of service.</p> <p>(c) A reservation of funds for contracts to provide state-wide outreach and information services and/or training for service providers.</p> <p>(2) At least two multipurpose service centers, each located in a highly populated area, ((will)) shall be supported under the displaced homemaker program, provided adequate funds have been appropriated.</p> <p>(3) Remaining funds ((will)) shall be used for contracts selected to provide geographic dispersion of displaced homemaker multipurpose service centers and programs of service.</p>	<p>Technical corrections.</p>
<p>WAC 250-44-060 Eligibility to apply for contracts</p> <p>Either an initial or renewal application for a contract to provide either a multipurpose service center or one or more programs of service for displaced homemakers or training for service providers may be submitted by a sponsoring organization, as defined in WAC 250-44-040(16).</p> <p>(1) The board ((will)) shall require appropriate documentation of the nonprofit status of an applicant ((which)) that is nonpublic.</p> <p>(2) ((Letters of intent, accompanied by the required documentation of nonprofit status will be required prior to submission of an application, and will be screened by the staff of the board. Sponsoring organizations verified to be eligible will then be invited to submit applications.</p> <p>(3) Consortiums of appropriate)) Organizations ((are encouraged, but)) that apply as a consortium shall submit a single application ((by a single)). The application shall be submitted by the sponsoring organization((, which)) that will serve as fiscal agent for the consortium((, is to be submitted for each proposed consorcial center, program of service, or multiple programs of service to be operated by a consortium)).</p>	<p>Creation of initial and renewal contracts.</p> <p>Deletes requirement for submission of letters of intent.</p> <p>Technical corrections.</p>
<p>WAC 250-44-070 Standards to be met by applicants</p> <p>In addition to eligibility as a public or nonprofit organization, each sponsoring organization ((will)) shall be required to provide evidence of adequate staff or governing board provisions to provide administrative and financial management oversight services to ensure contract compliance ((with contract provisions and conditions)).</p>	<p>Technical corrections.</p>

(1) Eligible expenditures (~~(-- Expenditures eligible to be included in budgets under applications to provide multipurpose centers, programs of service or training for service providers,)~~) include all operating expenses (~~(needed)~~) necessary to carry out the training, counseling, and referral services covered in the proposal, and to provide outreach activities related to the services, subject to the following limitations:

(b) No funds under the contract budgets (~~(may)~~ shall) be utilized to pay for student tuition and fees for enrollment in education programs or courses except under specific prior approval by the executive director.

(d) Formula allocations of overhead or other expenses of the sponsoring organization not directly related to the provision of the services covered by the contract ~~((may)) shall~~ not be included in the contract budget, but charges for direct services in support of the contract such as financial accounting services, printing services, transportation, etc., may be included.

(3) Matching requirements. At least thirty percent of the funding for each center or program supported by a contract under the act must be provided by the sponsoring (agency) organization, based on the original contract amount.

(b) Matching may be provided either in the form of supplemental funds, from any source other than the contract under the act, to pay for services separately accounted for in carrying out the activities covered by the contract, or in the form of contributed services or contributions in-kind also specifically and separately accounted for.

Technical corrections.

Clarifies that match is applicable to original contract amount.

WAC 250-44-090 Required assurances

. No contract (~~((will))~~) shall be awarded unless the sponsoring organization includes in its application the following assurances:

(1) No person in this state, on the grounds of sex, age, race, color, religion, national origin, or the presence of any sensory, mental, or physical handicap, shall be excluded from participating in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with funds made available under the act;

(2) The sponsoring organization (~~((will))~~) shall actively seek to employ for all staff positions supported by funds provided under the act, and for all staff positions supported by matching funds under any contract, including supervisory, technical and administrative positions, persons who qualify as displaced homemakers;

(3) Services provided to displaced homemakers under the contract (~~((will))~~) shall be provided without payment of any fees for the services: Provided, That the executive director may approve exceptions to this requirement upon determining that such exceptions would be in the best interest of displaced homemaker program objectives;

(4) First priority for all services provided under the contract (~~((will))~~) shall be given to persons who qualify in all regards as displaced homemakers. Other persons in need of the services due to similar circumstances may be assisted if provision of such assistance (~~((will))~~) shall not in any way interfere with the provision of services to displaced homemakers as defined in the act. The sponsoring organization (~~((will))~~) shall include in its reports separate and distinct accountability for services to displaced homemakers and to other persons in need of the services;

(5) The sponsoring organization agrees to comply in full with the accounting and reporting requirements set forth in WAC 250-44-100 and such other accounting and reporting requirements as may (~~((reasonably))~~) be established by the executive director.

(6) The sponsoring organization agrees to participate in evaluation procedures (~~((to be established pursuant to WAC 250-44-210))~~), including the use of (~~((a))~~) all specified uniform (~~((intake))~~) client classification forms for persons to whom services are provided, and specified uniform evaluation questionnaires;

(7) The sponsoring organization will actively seek to coordinate activities under the contract with related activities and services provided by other organizations;

(8) The sponsoring organization understands and agrees that payments from the board under the contract will be provided monthly or quarterly upon submission and approval of payment requests in a form and containing information specified by the executive director of the board, and that approval of payments shall be conditioned upon the executive director's determination that the sponsoring organization is in compliance with the terms of the contract and this chapter;

(9) The executive officer of the sponsoring organization has reviewed the application, including all assurances contained therein, and is authorized to submit the application and execute a contract in accordance with the application if it is approved by the board; and

(10) The executive director and staff of the board will be provided access to financial and other records pursuant to the contract.

Technical corrections.

<p>WAC 250-44-100 Accounting, reporting, and records retention requirements</p> <p>(1) Accounting. Sponsoring organizations shall maintain separate accounts for funds received under approved contracts and for matching funds expended and in-kind matching provided under such contracts. The accounting records shall include:</p> <p>(a) Sufficient detail by object of expenditure to permit verification and reporting of expenditures according to object categories used in the budget format provided with the application; and</p> <p>(b) Documentation of all expenditures charged to the contract or matching accounts, in the form of either:</p> <p>(i) Direct charges supported by vouchers;</p> <p>(ii) Journal vouchers for allocated portions of shared costs such as rental or communication costs, supported by explanations of allocation methods consistent with accounting practices generally used by the sponsoring organization; or</p> <p>(iii) Records of actual time worked for persons not employed one hundred percent, but whose salary or wages are charged in part to the contract or matching account.</p> <p>(2) Reporting. Sponsoring organizations shall:</p> <p>(a) Provide quarterly reports to the executive director, in a format and containing information specified by the executive director, sufficient to provide:</p> <p>(i) An evaluation of outreach and participation in the services provided under the contracts; and</p> <p>(ii) An evaluation of performance under the contract.</p> <p>(b) Maintain such records as are necessary to provide information contained in the reports.</p> <p>(3) Records retention. Sponsoring organizations shall retain accounting and other supporting records until notified by the executive director of the completion of a program audit after the end of the contract period. This requirement is in addition to requirements of the state auditor's office applicable to public institutions and agencies.</p>	<p>No change.</p>
<p>WAC 250-44-110 Length of contract periods</p> <p>(1) Contract periods for <u>each</u> contract((s)) awarded under the act shall be in accordance with each application proposal, subject to contract application guidelines issued by the executive director, but shall not begin before the starting date or extend beyond the end date of the upcoming biennium.</p> <p>(2) <u>An initial contract shall be awarded on a biennial basis.</u></p> <p>(3) <u>A contract funded for the 1999-2001 biennium may be renewed for the 2001-2003 biennium provided the sponsoring organization was in full compliance with all of the terms of the 1999-2001 contract, as evidenced by the on-site compliance reviews.</u></p> <p>(4) <u>An initial contract funded for the 2001-2003 biennium, and any contract funded thereafter may be renewed for one subsequent biennium provided the sponsoring organization was in full compliance with the contract and performance indicators established by the executive director.</u></p>	<p>Provision for DHP contractors to renew their biennial contracts for one subsequent biennium.</p>

<p>WAC 250-44-120 Payments under approved contracts</p> <p>Payments to sponsoring organizations under approved contracts for multipurpose service centers, programs of service, and training for service providers shall be authorized and processed according to the following procedure:</p> <p>(1) Payments will be made, one month at a time; unless less frequent payments are requested by the contractor.</p> <p>(2) Sponsoring organizations will submit requests for payment on Invoice Voucher A 19-x form and to contain information specified by the executive director to include:</p> <p>(a) Actual expenditures for request period;</p> <p>(b) Expenditures listed by the following categories: Personnel, travel, facilities, advertising, supplies/materials, communications, and other.</p> <p>(3) Upon approval of the request for payment, and receipt of the quarterly report for the most recent completed quarter under the contract, the executive director will authorize disbursement of the funds.</p> <p>(4) Requests for payments must be received in the board office at least two weeks prior to the requested payment date.</p>	<p>No change.</p>
<p>WAC 250-44-130 Calendar and closing dates for ((letters of intent,)) applications and awards</p> <p>(1) ((Organizations wishing to apply for contracts to operate multipurpose service centers, shall submit to the executive director a letter of intent, accompanied by appropriate documentation of public or nonprofit status, as specified in the contract application guidelines.</p> <p>(2) The executive director or the director's designee will screen the letters of intent for multipurpose service centers, prepare a list of all eligible organizations which filed letters of intent and distribute the list to all applicants within seven days from the filing date for letters of intent as specified in the contract application guidelines.</p> <p>(3) Applications for contracts for multipurpose service centers may be submitted by organizations on the list pursuant to subsection (2) of this section. Applications must be submitted by the date as specified in the contract application guidelines.</p> <p>(4) Organizations wishing to apply for contracts to operate programs of service shall submit to the executive director a letter of intent, accompanied by appropriate documentation of public or nonprofit status by the date specified in the guidelines.</p> <p>(5) The executive director or the director's designee will screen the letters of intent for programs of service, prepare a list of all eligible organizations which filed letters of intent, and distribute the list to all organizations on the list, within seven days from the filing date for letters of intent as specified in the contract application guidelines.</p> <p>(6) Applications for both initial and renewal contracts ((for programs of service may)) to provide services to displaced homemakers shall be submitted by eligible organizations ((on the list)) pursuant to ((subsection (5) of this section)) WAC 250-44-040(16) by the date specified in the contract application guidelines.</p> <p>((7)) (2) The executive director of the board ((will)) <u>shall</u> approve awards of contracts, provided qualifying applications were received by the closing dates specified in ((this section and in)) the <u>application</u> guidelines.</p> <p>((8)) (3) In the event that available funds for contracts under the act are not fully utilized after approval of contracts, the executive director ((may)) <u>shall</u> either establish a</p>	<p>Deletes requirement for submission of letters of intent and specific instructions concerning the application process.</p> <p>Creation of initial and renewal applications.</p> <p>Provision for</p>

<p>new calendar for further consideration of applications and award of contracts, or award supplemental funds to existing centers and programs by amendment of contracts in effect, <u>or award supplemental funds for targeted displaced homemaker program initiatives.</u></p>	<p>HECB staff to use supplemental funds for targeted initiatives.</p>
<p>WAC 250-44-140 ((Form and)) <u>Content of application</u></p> <p>((1) General instructions. All forms and narrative material should be typed, narrative material double spaced. Legibility, clarity, and completeness are essential. All sections of the application must be completed. Unnecessarily elaborate brochures or other presentations beyond those sufficient to present a complete and effective application should be avoided. Elaborate art work, expensive paper and bindings are not necessary and will not count in favor of the application.</p> <p>(2) Number of copies. The contract application guidelines shall specify the number of copies of each application to be submitted to the executive director. Copies may be reproduced, but at least two copies submitted shall have the original signature of the executive officer of the sponsoring organization.</p> <p>(3) Contents of each application. Each)) Both initial and renewal applications ((is to)) shall be submitted using the format and forms prescribed in the contract application guidelines.</p>	<p>Deletes specific instructions concerning the content and format of the application.</p> <p>Creation of initial and renewal applications.</p>
<p>WAC 250-44-150 Criteria for selection of contracts to be awarded</p> <p>(1) <u>Initial contracts.</u> For each closing date established as specified in WAC 250-44-130, applications will be ranked competitively according to their performance with respect to:</p> <ul style="list-style-type: none"> (a) Size of the potential population to be served; (b) Demonstrated need for the proposed services; (c) Experience and capabilities of the sponsoring organization; (d) Provisions for coordination of services with other organizations providing related services in the geographic area(; (e) Involvement of displaced homemakers in the planning and development of the proposal; ((f) The quality of the proposed center or program)). <p>(2) The executive director shall develop a system for evaluating <u>initial</u> applications with respect to the above-stated criteria, and make <u>available in the application guidelines</u> a description of the system ((available to sponsoring organizations which submit letters of intent to file applications)).</p> <p>(3) Final selection of <u>initial</u> applications to be approved will be based upon both relative ranking on factors listed in subsection (1) of this section and appropriate geographic distribution.</p> <p><u>(4) Renewal contracts. The sponsoring organization may be eligible to renew its contract for one subsequent biennium provided the sponsoring organization was in full compliance with the 1999-2001 contract. Thereafter, the sponsoring organization may be eligible to renew its contract for one subsequent biennium provided the sponsoring organization was in full compliance with the contract and performance indicators established by the executive director.</u></p> <p><u>(5) The executive director shall develop a system for evaluating renewal</u></p>	<p>Creation of selection criteria for initial contracts.</p> <p>Streamlines selection criteria.</p> <p>Creation of selection criteria for renewal contracts.</p>

<p><u>applications and make available in the application guidelines a description of the system.</u></p>	
<p>WAC 250-44-160 Procedure for selection of contracts to be awarded</p> <p>(1) <u>Initial contracts.</u> The following steps will be employed in screening and selection of applications to be approved for initial contracts:</p> <p>((4)) (a) Applications will be screened for eligibility and completeness;</p> <p>((2)) (b) A panel of application readers will be established, to consist of board staff members designated by the executive director, members of the advisory committee who are not members of the legislature or employees of sponsoring organizations, and such other persons as may be deemed appropriate by the executive director;</p> <p>((3)) (c) Within each category of application as described in WAC 250-44-150(1), the panel of readers will evaluate and rank qualifying applications according to the system published in accordance with WAC 250-44-150(2);</p> <p>((4)) (d) The ((executive director)) <u>advisory committee</u> will consider evaluations prepared by the readers, and will develop a list of recommended approved applications to be awarded contracts;</p> <p>((5)) (e) The list of recommended approved applications will be submitted to the executive director of the board for approval. Upon approval the executive director will award the contracts.</p> <p>(2) <u>Renewal contracts.</u> The following steps will be employed in screening and selection of applications to be approved for renewal contracts:</p> <p>(a) Applications will be screened for eligibility and completeness;</p> <p>(b) <u>In cooperation with the advisory committee, or a subset thereof, the board will evaluate qualifying applications in accordance with WAC 250-44-140 and develop a list of recommended approved renewal applications according to the system published in WAC 250-44-150(5);</u></p> <p>(c) <u>The list of recommended approved renewal applications shall be submitted to the executive director of the board for approval. Upon approval the executive director will award the renewal contracts.</u></p>	<p>Creation of selection procedure for initial contracts.</p> <p>Creation of selection procedure for renewal contracts.</p>
<p>WAC 250-44-170 Incorporation of applications in contracts</p> <p>Each approved application will be incorporated into and made a part of the contract between the board and the sponsoring organization, to be signed by the executive director and the executive officer of the sponsoring organization.</p>	<p>No change.</p>
<p>WAC 250-44-180 Amendment of contracts</p> <p>A contract may be amended by mutual agreement between the executive director and the executive officer of the sponsoring organization.</p>	<p>No change.</p>

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2001 HECB LEGISLATIVE SESSION OVERVIEW

October 2000

BACKGROUND

The Washington Legislature will begin its 2001 session on January 9. The regular session will last a maximum of 105 days and will focus on the development of the state operating and capital budgets for the 2001-03 biennium, which begins July 1.

This document outlines the higher education issues that are expected to receive legislative review during the coming session. It is intended as a preliminary document for the Higher Education Coordinating Board to use in considering its legislative priorities for the 2001 session. The Board is scheduled to adopt its formal legislative agenda when it meets December 6 at the University of Puget Sound in Tacoma.

STATEWIDE HIGHER EDUCATION ISSUES

Operating budget

The HECB's funding priorities for the 34 public community and technical colleges (CTCs) and six baccalaureate college and universities are reflected in the recommendations detailed in Tab 5 of this board packet. Priorities recommended by the Board's fiscal committee include:

- **Preservation of the current level of service**, which is the committee's highest priority;
- **Enrollment increases** of 7,091 full-time equivalent students (5,000 FTEs at the CTCs, 1,591 at the four-year institutions, and 500 for a competitive high-demand pool administered by the HECB);
- **A \$53.8 million increase in financial aid**, including enhancements for the State Need Grant, the Washington Promise Scholarship and the State Work Study programs;
- **A \$15.2 million outreach and diversity enhancement**;
- **Funding to support the HECB's competency-based admissions project** and the development of competency-based associate's and bachelor's degrees; and
- **Several technology initiatives** to both improve the quality of education and to help colleges and universities enable students to take advantage of job opportunities in Washington's changing economy.

Capital budget

The HECB's funding priorities for the public colleges and universities are reflected in the recommendations that are detailed in Tab 5 of this board packet. For the first time, at the request of legislative budget leaders, the Board's biennial capital budget recommendations place the capital requests of colleges and universities in ranked priority order. Several policy goals from the Board's 2000 Master Plan for Higher Education are embodied in the ranking system:

- The highest priority is placed on efficient use of resources by **preserving the state's existing investment** in educational facilities.
- The priorities also reflect the state's ongoing commitment to expanding higher education opportunities through support for capital projects that would **support enrollment growth**.
- The priority ranking system also expresses a priority for **high-demand educational programs**, and those that support greater **institutional competitiveness**.

Other budget-related issues

The HECB will deliver requests and recommendations to the Legislature on several issues, including:

Faculty salaries. The Board's fiscal subcommittee has endorsed **faculty salary increases** of 10 percent during the biennium (6 percent and 4 percent each year at the baccalaureate institutions and 5 percent each year at the CTCs), and has recommended funds to support **faculty recruitment and retention**, and salary equalization for **part-time CTC faculty**.

Tuition. The board will include a tuition recommendation in its operating budget package, calling for student tuition increases to be limited to the three year average increase in per-capita personal income. This index would yield an estimated 8.7 percent tuition increase during the 2001-03 biennium, slightly higher than the expected rate of inflation.

HECB agency budget proposal. In September, the HECB submitted its own agency budget proposal to the Office of Financial Management. The HECB agency budget priorities are also addressed in the budget recommendations in Tab 5.

Supplemental budget for 1999-2001. The Board in December will review the institutions' supplemental budget requests for the remaining months of the current biennium, which ends June 30, and make recommendations to the Legislature and Governor.

Accountability measures. The Legislature has directed the HECB to review the baccalaureate institutions' performance on existing accountability measures, and to report by November 15 with recommendations for 2001-03. The recommendations of the Board's policy committee are in Tab 7 of this board packet.

OTHER PROSPECTIVE LEGISLATIVE ISSUES

Promise Scholarship legislation. In addition to the budget recommendation referenced above, lawmakers are expected to consider legislation to enact the Washington Promise Scholarship program into state law as a permanent component of the state's array of student financial aid initiatives. The program currently exists provisionally as part of the 1999-2001 operating budget. This legislation was supported by the HECB in the 1999 and 2000 sessions.

Institutional eligibility for State Need Grant. A bill to extend eligibility to several accredited baccalaureate institutions to participate in the State Need Grant program was introduced late in the 2000 session at the request of Antioch University. The bill was not enacted, and representatives of Antioch have indicated they will seek support for the proposal in 2001. The legislation would have the same effect as one of the recommendations of the HECB's study of the Educational Opportunity Grant and is described within Tab 6 of this board packet.

Future Teachers Conditional Scholarship. Legislation to revise the current statute governing this HECB-administered program was offered in 2000 at the request of the Governor and the Superintendent of Public Instruction and was supported by the HECB. This issue is expected to be revisited in 2001.

Skills gap package. At Governor Gary Locke's recent Technology Summit in Tacoma, the Governor indicated he would propose a legislative package to help the state address the "skills gap" – the shortage of trained workers to fill all of the high-skill jobs that are being created in Washington's increasingly information-based economy. This package is expected to be unveiled at approximately the same time as the Governor's 2001-03 budget request in mid-December.

Bright Futures Conditional Scholarship. A bill to provide an incentive for prospective students to participate in high-demand job training programs in the form of a conditional scholarship has been endorsed by the Workforce Training and Education Coordinating Board and recommended to Governor Locke for his 2001 legislative package.

Foster Care Scholarship. Legislation proposed in 2000 to establish a scholarship program dedicated to assisting current and former foster children was revised following the session and circulated in draft form, and may be introduced in 2001.

Public Interest Attorneys Loan Repayment and/or Conditional Scholarship. Legislation proposed in 1999 and 2000 to extend conditional scholarships and/or loan repayments to encourage law students and attorneys to practice public interest law is expected to be revised and resubmitted in 2001. This proposal is aimed at creating incentives for lawyers to practice as public defenders, prosecutors and in other public-interest fields.

High-demand Enrollment Re-allocation

October 26, 2000

BACKGROUND

The 1999-2001 state operating budget provided funds and enrollment allocation authority to the HECB to support the development and expansion of high-demand programs at Washington's public colleges and universities during the 2000-01 academic year.

In December 1999, the HECB allocated 500 full-time student enrollments (FTEs) and the funds to support them for a variety of high-demand projects following a review committee's evaluation of more than 40 competitive proposals from the community and technical colleges and baccalaureate institutions. Earlier this year, the Legislature and Governor authorized the Board to allocate an additional 50 FTEs for up to two additional projects at the community and technical colleges. Following further consultation with the Board's review committee, this second group of enrollments was allocated in July 2000.

In September, the Board received official notice from Shoreline Community College that it would be forced to decline one of the two high-demand enrollment grants it had received, to expand its dental hygiene program with funding to support 24 additional FTEs. As a result of Shoreline's decision, only 526 of the high-demand enrollments have been allocated to and accepted by the institutions.

At this meeting, the Board is being asked to approve a staff recommendation to re-allocate the remaining 24 enrollments and related funding to Everett Community College (12 FTEs) and South Seattle Community College (12 FTEs).

PROGRAM ADMINISTRATION SUMMARY

‣ **May 1999:** The Legislature and Governor appropriated \$4,750,000 to the HECB to support up to 500 full-time student enrollments (FTEs) in high-demand fields and programs during the 2000-2001 academic year.

‣ **August 1999:** The HECB issued a request for proposals to the public community and technical colleges and public baccalaureate college and universities.

‣ **October 1999:** The HECB received proposals for 41 specific high-demand projects. The institutions requested \$9.9 million to support a total of 1,461 new enrollments, nearly three times the enrollment level authorized by the Legislature. A committee composed of HECB staff and expert advisers from public- and private-sector organizations was asked to review the proposals and recommend projects for funding.

‣ **November 1999:** The review committee recommended the Board provide funding and enrollment slots for a total of 11 projects. A list of these projects accompanies this document.

‣ **December 1999:** The HECB received and approved the recommendations of the review committee, authorizing its staff to develop interagency agreements for the enrollments and funding. A total of \$424,340 remained uncommitted following the first round of approvals.

‣ **April 2000:** The Legislature and Governor directed the HECB to allocate uncommitted funds to support 50 additional high-demand enrollments. In a footnote to the 2000 supplemental state budget, the Board was directed to fund “up to two more proposals it received from community colleges” in high-demand fields from the original appropriation.

‣ **July 2000:** Based on the recommendations of its review committee, the Board allocated enrollments and funding to support 25 FTEs at Bates Technical College for the expansion of the computer systems/networking technician program; and 25 FTEs at Pierce College's campus in Puyallup to develop a computer network engineering program based on the college's existing program at Fort Lewis. Two other proposals, from Everett and South Seattle community colleges, were reviewed in detail and received favorable evaluations.

‣ **September 2000:** The HECB staff received official notice received from Shoreline Community College that it would decline funding of \$232,000 to support the addition of 24 FTEs in its dental hygiene program.

STAFF RECOMMENDATION

When the Board's review committee re-evaluated the high-demand enrollment proposals following the 2000 legislative session, it closely examined four projects – from Bates Technical College and Everett, Pierce and South Seattle community colleges. Ultimately, Bates and Pierce were each awarded 25 FTEs. The South Seattle and Everett proposals received favorable evaluations but were not funded during the July 2000 round.

Despite not receiving the HECB grants during the December 1999 or July 2000 allocations, South Seattle and Everett have demonstrated a strong commitment to their proposals. Each institution has moved forward on a limited basis along the lines it had proposed last fall. Everett CC has refocused its program to emphasize web site development and administration, and South Seattle CC has re-allocated resources to support its web design and multimedia programming offerings. At both colleges, student demand for the program has far outstripped the colleges' capacity, and employer interest has grown stronger as time has progressed.

Both programs appear to be excellent candidates for expansion during 2000-01 along the lines they have proposed, as modified in recent correspondence with the HECB staff. Both projects also received favorable consideration from the HECB review committee, which consistently gave them equivalent ratings after repeated reviews.

After consulting with administrators from both colleges and the State Board for Community and Technical Colleges, the HECB staff recommends the Board approve the following actions:

- 1. Divide the remaining 24 enrollments and related funding among the two colleges,** to enable both Everett and South Seattle community colleges to pursue expansion of their information technology programs as described below; and
- 2. Direct the HECB staff to develop contracts for the projects** and to clarify any unresolved issues, such as the specific elements of each program, in recognition that the institutions will have to undertake special efforts to reach their contracted enrollment levels during the winter 2000 and spring 2001 quarters.

The staff would cite several reasons for this recommendation:

- Both projects have consistently received positive evaluations, but at no time was one project rated more highly than the other;
- The staff believes the state would receive more value for its investment by supporting both programs than by choosing one over the other;
- Both colleges have shown great commitment to their proposals by using re-allocated resources and flexible management strategies to serve students on a limited basis despite failing to receive HECB grants in the earlier rounds of this project; and
- Both colleges would use funding associated with this project to finance significant one-time curriculum development that would provide a long-term benefit to the students served by these programs.

The projects recommended by the staff are:

Everett Community College: Web Page Certificate – 12 FTE

Everett proposes to initiate full implementation of a certificate program that emphasizes web site development and administration for students in its computer business applications program. The program focuses on basic design and desktop publishing for the web, coupled with the technical elements of coding, scripting and browser and network interface compatibility. Through winter and spring quarters, several new courses will be developed, and by June 2001, the program will be integrated with local high school education through the development of Tech Prep articulation agreements that will provide for advanced credit and early enrollment opportunities.

South Seattle Community College: Webmaster Program – 12 FTE

South Seattle proposes to expand the number of course sections offered – specifically with evening, weekend and on-line courses – and develop up to 10 new courses for its webmaster program, which eventually will include e-commerce, multimedia, programming and system administration. The college also will purchase several laptop computers for students who cannot afford home computers and will develop articulation agreements with high schools, community colleges and four-year universities to provide greater learning opportunities to students.

High-demand Enrollment Projects Approved and Recommended for Funding

Projects in italic are recommended for approval in October 2000; others were approved earlier.

Institution	Program	FTE	
Bates Technical College	Computer Systems/ Networking Technician	25	\$177,660
Bellevue Community College	<ul style="list-style-type: none"> • Multi-media • Network Support • Computer Science Transfer • Fast Track IT certificate 	100	\$924,102
Columbia Basin College	Dental Hygiene	18	\$163,800
Eastern Washington University	Special Ed. Teacher Training	25	\$249,579
Edmonds Community College	<ul style="list-style-type: none"> • Web Developer • E-Commerce • Unix/C++ Specialization • Game Devel./Animation 	75	\$697,500
<i>Everett Community College</i>	<i>Web Page Certificate</i>	<i>12</i>	<i>\$111,000</i>
Pierce College at Puyallup	Computer Network Engineering	25	\$232,500
Renton Technical College	Computer Network Technician	38	\$136,800
Shoreline Community College	High Tech Training Pathway	53	\$491,451
Skagit Valley College	Computer Information Systems	25	\$229,743
<i>South Seattle Comm. College</i>	<i>Webmaster Program</i>	<i>12</i>	<i>\$110,000</i>
Walla Walla Comm. College	Information Technology Certificate Programs	17	\$99,990
Washington St. University	Management Info. Systems	60	\$541,965
Western Wash. University	Management Info. Systems	65	\$483,463
HECB administration	\$100,000 during 1999-2000		\$100,000
Total		550	\$4,749,553

RESOLUTION NO. 00-52

WHEREAS, The Higher Education Coordinating Board has been directed by the Legislature and Governor, under the terms of the state's 1999-2001 operating budget, to allocate funds to support 550 new full-time equivalent (FTE) student enrollments in high-demand fields and programs in the public baccalaureate and public community and technical colleges during the 2000-01 academic year; and

WHEREAS, The HECB implemented a competitive bidding process for those new enrollments in consultation with the Office of Financial Management and the legislative budget committees, as called for in Section 610(3) of Senate Bill 5180, the state's 1999-2001 operating budget; and

WHEREAS, The HECB allocated those 550 enrollments in December 1999 and July 2000, based on the recommendations of a review committee composed of educators, labor market and economic development specialists from Washington and other states; and

WHEREAS, Following the completion of the process the HECB received notice that one of the successful institutions was unable to fulfill the terms of the enrollment and funding award, resulting in the availability of 24 FTEs and related support funds; and

WHEREAS, HECB staff has recommended that two additional community colleges – Everett Community College and South Seattle Community College – receive the funding necessary to support the remaining enrollments, with 12 full-time enrollment slots allocated to each institution; and

WHEREAS, The HECB finds that both institutions' proposals have consistently received positive evaluations, and that the state would receive more value for its investment by supporting both programs than by choosing one over the other; and

WHEREAS, Both colleges have shown great commitment to their proposals by using re-allocated resources and flexible management strategies to serve students on a limited basis despite failing to receive HECB grants in the earlier rounds of this project; and

WHEREAS, Both colleges would use funding associated with this project to finance significant one-time curriculum development that would provide a long-term benefit to the students served by these programs;

THEREFORE, BE IT RESOLVED that the HECB approves the recommendations of its staff and directs the staff to execute interagency agreements for the allocation of the new enrollments and the release of the related funding.

Adopted:

October 26, 2000

Attest:

Bob Craves, Chair

Kristi Blake, Secretary